

JPRS-EER-89-065

6 JUNE 1989



**FOREIGN
BROADCAST
INFORMATION
SERVICE**

JPRS Report

East Europe

East Europe

JPRS-EER-89-065

CONTENTS

6 JUNE 1989

POLITICAL

ALBANIA

- Proliferation of 'Deputies' Muddies Responsibility [ZERI I POPULLIT 9 Feb] 1

CZECHOSLOVAKIA

- Two New 'Anti-Socialist' Groups Described [NOVA MYSL No 4 89] 2
 Urbanek Discusses Preparations for 18th Congress [TRIBUNA 15 Mar] 7
 Restructuring Should Not Be Limited to Economy [NOVA MYSL No 4, 1989] 12
 Local Conditions Shape Marxist Ideology [NOVA MYSL No 4, 1989] 16
 Czechoslovak Historians Call for New Approaches [NOVA MYSL No 4, 1989] 18
 Party Official Concerned With Party Morale [RUDE PRAVO 24 Mar] 23
 20th Dubcek Ouster Anniversary Marked [RUDE PRAVO 17 Apr] 27
 Youth Chairman Seeks More Public Discussion [RUDE PRAVO 24 Mar] 31

YUGOSLAVIA

- Retired Politician Queried on Current Issues [STUDENT 17 Mar] 32

MILITARY

GERMAN DEMOCRATIC REPUBLIC

- Implications of Revised Military Doctrine [VOLKSARMEE No 13, 1989] 39
 Information Provided on Officer Careers [AR ARMEERUNDSCHAU Apr] 40
 Civil Defense Medical Training for Women Cited
 [SCHUETZEN UND HELFEN Vol 9, No 2, 1989] 42
 Military Careerists Still Required for Future [VOLKSARMEE No 14, 1989] 43

ECONOMIC

INTRABLOC

- Leading GDR, Soviet Economists on Labor Productivity
 [East Berlin WIRTSCHAFTSWISSENSCHAFT Apr] 45
 CEMA Reform Efforts Stalled; Multifaceted Cooperation Needed
 [Warsaw ZYCIE GOSPODARCZE 19 Feb] 48
 Strict Tariff Regulations Hinder CEMA Integration [Warsaw RYNKI ZAGRANICZNE 4, 7 Feb] .. 50
 Kuwaiti Firm Eyes Investments in East Europe [Warsaw RYNKI ZAGRANICZNE 11 Mar] 51

CZECHOSLOVAKIA

- Private Initiative, Rights, Responsibilities Viewed [TRIBUNA No 14, 1989] 51
 Reexamination of Bata Capitalist Management Proposed [TVORBA No 15, 1989] 53

HUNGARY

- Enterprise President Reveals Bankruptcy Causes [NEPSZAVA 22 Apr] 55
 Parliamentary Committee Views Recsk Ore Mine Options [NEPSZAVA 14 Apr] 57

ALBANIA

Proliferation of 'Deputies' Muddies Responsibility

21000017 Tirana ZERI I POPULLIT in Albanian
9 Feb 89 p 1

[Article by Sami Milloshi: "Socialism Requires Dynamism. Dozens of Deputies Do Not Help"]

[Text] We met recently with Comrade Gezim Koni, deputy chairman of the executive committee of the People's Council of Tirana District and the individual responsible for trade. "In what way has your managerial work as a deputy director been eased?" He replied: "...The easing in accomplishing my task is not connected with the fact that as the person responsible for trade, I also have the function of deputy chairman of the executive committee. I see an easing in the fact that being the person responsible, I am occupied concretely with the work of the section, since I do not have anyone with whom I come into conflict and on whom I can unload problems."

He therefore has no one to complain to, no one to justify himself to, while, at the same time, he has full responsibility for the trade problems of the district. Let us take this opportunity to look at this problem in somewhat more detail. In his meeting with the cadres in Lushnje, Comrade Ramiz raised the question: "Is it necessary that in every district, in every cooperative or enterprise, the chief manager should have one or two deputies? Is it necessary that the director of a ministry should have an official assistant? Doesn't this doubling permit avoidance and unloading of responsibility?"

It is precisely this doubling, avoidance, and unloading of responsibility that was mentioned the day before yesterday at the meeting of the party organization by Bilbil Jaupi, deputy minister of agriculture, who said: "The only thing I had to do with the letter was to place an official seal on it." This is not an isolated case. Despite these deputies, some work has been bogged down and has been delayed excessively. What is the reason? It must be sought in the lack of responsibility on the part of many deputies, who, being, so to speak, under an official "umbrella" of protection from above, have not been assigned concrete work, have not resolved concrete tasks in their administrative activities. Generally, deputy ministers in ministries and deputy chairmen in executive committees of people's councils of districts until now have covered several administrations or several sections which have had and continue to have authority over directors of directorates or section chiefs. It has thus been easier for them to find, so to speak, a golden mean, to be transformed into a simple transmitter of official directives or orders, duplicating their subordinates, as well as taking for the official those problems and difficulties which ostensibly cannot be resolved by the subordinates and sending them up higher. Is this correct? It is certainly not correct, since it involves not only a waste of the intellectual potential of those comrades who have

been selected from among the best, but also a numbing of the individual action and initiative of the administrations and sections. In practical terms, even in cases where the solution of this or that problem is within their competence (and many problems are evidently within their competence), they have preferred to relieve themselves of the problem by referring it higher, to the deputy. He too refers it higher, to the minister or chairman. It has frequently happened that an administration director may knock directly at a minister's door, and the latter will say to him: "Have you spoken with the deputy who is above you?" "Talk with him once, then come to me." What are the consequences? Procrastination with regard to the problems and their lack of solution. When explanations are demanded for these nonfulfillments, the deputies often say, "The administration is not working well for us, the section is not working well for us." But it will be good to ask, "What have you done to give concrete assistance to this administration, this section?" Then he begins to enumerate all the things he has done, recalling that he has often duplicated the work of the administration manager or the person responsible for the section, and that he has left aside the pursuit of tasks in some other administrations or sections. In the work method of deputies, therefore, there is one administration or section which can always be "privileged," while there are others that "remain in the shadows." For this reason, there must not be any preferences on the part of this or that manager for a particular administration or section. Thus, in the final analysis, something is going wrong from the organizational standpoint and from the standpoint of jurisdictional practice. This is fundamental. What is happening? When tasks are not fulfilled, for example, in petroleum, it is said that the responsibility lies with the administration and the enterprises; or when the factories are not supplied with lumber, it is said that the fault lies with the automotive repair shops. Headquarters after headquarters have been built with deputy ministers of ministries and deputy chairmen of executive committees of districts at their head. But what more has been done by the appropriate manager, for example, or deputy minister with respect to nonfulfillment of the petroleum plan? Nothing.

There are many deputies, dozens of them have been appointed throughout the entire state pyramid. In certain cases, the routine has created its own work: A minister has two or three deputies who themselves may have others (the general directorate for machines even has two deputy directors). In all districts, in all ministries, there are two or three deputy ministers and deputy chairmen. Add to this the secretaries of the executive committees, of the people's councils who, as Petrit Gjokutaj, director of the directorate for cadre in the Council of Ministers, told us, "have been transformed into deputy chairmen, so that they cover these sections too, instead of occupying themselves with the organizational side of committee functions." We do not want to prescribe personnel for the executive committee of the people's council in Tirana, but what need is there here

for a deputy chairman in charge of agriculture when, aside from the chief of agriculture, there is also an entire apparatus of the party committee of Region 4 that is occupied with this branch?

Many deputies have therefore been created, not excluding the case where one of them has been made an "umbrella" to cover the shortcomings in the work of the official. In the final analysis, this has done damage, in that the official has not responded properly to his responsibilities. That is why the party organizations, requiring the maximum of their effectiveness in work, can say to them benevolently, "Won't you see whether one of you is superfluous as a deputy minister or a deputy chairman? Wouldn't it perhaps be better to take concretely in hand the management of directorate in a ministry, of a section of an executive committee, and why not even of some enterprise where you can give more? This would be a better response for the implementation of the very important tasks assigned at the seventh plenum of the party Central Committee." The changes in the composition of the Council of Ministers are fulfilling concretely the idea of maintaining responsibility. In accordance with this example, the instructions of the party can be applied in the ministries and in the executive committees of people's councils of districts as well. With regard to the rotation of cadre dictated by life and the need to better confront the new tasks, Comrade Ramiz emphasized at the plenum: "It is most urgent to carry out work skillfully at all links, to increase the feeling of responsibility on the part of every cadre and worker, to strengthen discipline everywhere, to combat resolutely bureaucracy and routine, indifference and sloth, to exercise strict party and state control over the implementation of decisions." The government viewed its task in this spirit at its recent meeting, where it was emphasized that every management cadre at a ministry should take full responsibility for his work and should be assigned concrete tasks, without delegating responsibility to cadres at lower levels.

We do not want to prescribe whether or not a deputy official is needed in a ministry or in the executive committee. But when there are some people like those mentioned above, and especially when their effectiveness seems minimal and not responsive to the requirements of the times, assigning them concrete tasks while managing a directorate or a section would be somewhat better. In the first place, the responsibility of directors in ministries and in sections of executive committees would increase and, in the second place, the intellectual potential of these cadres would be better utilized. From this standpoint, there is an opportunity to give more thought to improving the organizational structures of state and economic organisms, so that they can be made more dynamic. The party has frequently emphasized the need for increasing the feeling of responsibility on the part of all administrative links in the party and the government. Comrade Ramiz Alia placed particular emphasis on this area at the seventh plenum of the party Central Committee. There is no reason, therefore, to

wait before acting, before making the possible and necessary changes which respond to the needs of the times and to the many tasks confronting us. The more the state administration rids itself of the excessive links which bureaucratize it, the more dynamic it becomes, the better it can accomplish its work and its tasks. On the other hand, wherever it is bloated, people surely work, but in fact they are only signing their pay sheets. The organizational structures of the state administration are not inviolable taboos. They can and must change in order to be responsive to life and to the instructions of the party. This is a constituent part of the continual struggle against bureaucracy, in which our party has great experience which is enriched every day.

CZECHOSLOVAKIA

Two New 'Anti-Socialist' Groups Described

24000134a Prague NOVA MYSL in Czech

No 4, 1989 pp 30-39

[Article by Rudolf Janik: "Goal of the So-Called Independent Initiatives: Return to Pre-February Days"]

[Text] Those who are against socialism are increasingly trying to take advantage of the movement in society engendered by the program of economic and social restructuring. With effective assistance from anticommunist centers, groups of these people are creating various antisocialist models and alternatives of structuring our society. So-called independent initiatives are emerging, which proclaim their independence especially from the "official power," that is, from our socialist political system. Under the new conditions of democratization they are trying to raise hopes for a return to the pre-February society. They are endeavoring to introduce into the consciousness of our working people antisocialist ideas, they are causing a state of ferment aimed at breaking up socialism, casting doubt on the restructuring and democratization and on the processes leading to a further improvement of our society and an increased authority of socialism in the world.

Understandably, for tactical reasons they do not always want to make fully known their antisocialist goals which they are pursuing with their strategy. In their declarations they use words such as "freedom," "pluralism," "activism," and others. But they give them a meaning which does not coincide with the political goals of our socialist society: they understand them in the abstract and they misuse them for demagoguery. Their aim is the destabilization of socialism in the CSSR, its gradual erosion and a qualitative transformation into a society of the bourgeois-democratic type. Let us look today at two of these groups.

Democratic Initiative comes into existence toward the end of 1987. In September, 55 citizens write a letter to deputies in the Federal Assembly. In it they state their demands, collectively designated as "substantially determining a democratic society." According to the opinion

of the authors of the letter, amongst whom we find an absolute majority of signatories of Charter 77 and its activists, the time is ripe to "fundamentally change the conditions in our country," as they also openly write in the emigre press.

In contrast with reality, the authors of the letter characterize the situation in our country as being in a state of crisis in all areas of societal life. The existing difficulties and shortcomings, according to them, are connected with the undemocratic organization of the society. The overriding task is supposed to be "restoration of trust between the government and the citizens." Toward that end, according to the authors of the letter, "gradual and well-balanced changes" are necessary. In the renovated leading agencies "new personalities" should be active, whose names are not connected with the past, and who would be capable of an "independent approach" to the serious issues in the life of our society.

This obviously means such persons whom it would be possible to enlist for antisocialist goals. They would like such persons to be capable of "independent approach" (understand: active political opposition) not only in relation to the CPCZ and other political and social organizations, but also in relation to those who create the values in our society—the working people. The "new" structure of the supreme agencies, which people who signed the letter demand, would be in fact an analogue of the bourgeois parliamentarism customary in capitalist countries.

Agencies and organizations should employ people "according to their talents, abilities, and character." Nothing against that. But according to the statement of the authors, the political criterion should be kept in the background. The main point is to remove communists from functions in the future agencies.

By absolutizing the so-called professionalism—in their conception—in the performance of the controlling function, the authors of the letter follow the managerial theory or they are making it obvious that they lean toward the theory of eliticism. Instead of democratization, which is to lead to "all citizens truly learning to govern and to begin to govern," they propose a process which in the end would exclude citizens from governing.

According to the signatories of the letter, "it is necessary to facilitate the spread of information" which is entirely undistorted and objective. However, "objective information" in their understanding means only the kind of information which discredits socialism and confirms that it is not capable of positively resolving social development. Their opinion about the "deep, catastrophic crisis in our society" shows in practice what their "objectivity" of information is like, and that they use it tendentiously to help the struggle against socialism.

According to the authors of the letter, the "new" management should enable social organizations and institutions to "develop effective activity." The question is, of course, what do they mean by it, how would people, "capable of following an independent course," act. It so happens that emphasis is being given to their ability to create room for the establishment of new associations and coalitions, not only within the National Front but primarily outside of it. Again with an antisocialist orientation, of course. Basically they represent bourgeois pluralism, a try for autonomy, and in a certain sense, for depoliticizing society. But only up to a point, so that later they would be ready to eliminate the political conditions for the realization of workers' power.

Among the other demands are calls for adopting effective measures for the protection of the environment (in reality we can see a particularly important movement in this area following the 17th CPCZ Congress), demands for placing "all those who are being discriminated against" in jobs commensurate with their qualifications. (In reality, many a chartist works in his own interest as a stoker or cleaner of shop windows and isolates himself from society so that he can find more time to work against socialism.)

In essence, the contents of the letter states those demands which were already contained in the so-called preamble to Charter 77 in 1977. Their aim is the liquidation of the system which exists in our society and replace it with some analogue of democracy of the liberal-bourgeois type. The letter became one of the latest driving forces for the establishment of the Democratic Initiative.

In various letters and proclamations in 1988, the Democratic Initiative, together with specific organizational activity, is trying ever more openly to create an organization which would have the character of a political opposition. But to this day it has not worked out a comprehensive enough program, and it also has relatively loose organizational ties among its adherents. It is obvious, however, that the Democratic Initiative is attempting to implement a process to "mold an association for democracy, which assumes that citizens can assemble freely, express their opinions freely, argue freely, unite freely." But let it be clear: by the concept "citizens" we must understand those who take antisocialist positions. They do not conceal their goals. And our society will obviously not give them an opportunity to unite. The mission of the Democratic Initiative is: "Occupy any space which the state power vacates or in which its vigilance slackens a little. Uncover new areas.... It is in its way a dialogue with power, albeit somewhat different than the one some of us imagined 11 years ago.... We continue to surround totality...." These are the ideas of those who direct the Democratic Initiative from abroad. Further commentary is not necessary.

Since its inception the Democratic Initiative has been expanding its activity. Within the span of a few days its activists assemble about 120 members. It immediately

tries to offer its opinion on topical questions about what is happening in society. It speaks in favor of amending the Labor Law on the occasion of the 70th anniversary of the birth of Czechoslovakia. It takes part in organizing some religious activities, activities connected with the 20th anniversary of August 1968. It cooperates in organizing rallies of antisocialist forces on St. Wenceslas Square in Prague on 18 October 1988. It is the co-organizer of a rally on Skroupa Square in Prague 3, etc. It coordinates its activities with other so-called independent initiatives, although it very quickly attempts its own independent political activity.

In the content and ideology of its political orientation, the Democratic Initiative makes use of the surviving glorie of T.G.Masaryk's legacy as "liberator." Understandably, it keeps silent about the utterly anti-working-class acts which the governments of the pre-Munich republic used to silence the justified social aspirations of exploited workers. This group also does not fail to use in the statements of some of its activists interpretations and ideas presented for example in 1980-81 by leaders of the extreme wing of Polish Solidarity—again primarily by those people whose goal is the destruction of the present Polish society.

In connection with the 20th anniversary of August 1968, the Democratic Initiative publishes a Proclamation to the 20th Anniversary of the Entry of the Warsaw Pact Armies into Czechoslovakia. It characterizes the entry as a "catastrophe" for our society and the subsequent fate of our nations. It supplements the openly anti-Soviet content of the proclamation by demands for the recall of Soviet units from our territory, regardless of the international situation, to rescind the Lessons of the Crisis in the Party and Society After the 13th CPCZ Congress, and to rehabilitate those who shared in the "regeneration process."

The demands, stated in the Proclamation, are strikingly coincident with the proclamation of the so-called group Listy (formed around the journal LISTY, founded by Jiri Pelikan, originally residing in Rome and now in the German Federal Republic). It was called Proclamation of the Group Listy to the 20th Anniversary of the Prague Spring. It was signed by the well known—Z. Hejzlar, Z. Mlynar, A. Muller, J. Pelikan. It is obvious that this is no coincidence, but a coordinated approach of reactionaries both at home and those residing abroad. They in particular expected that the anniversaries occurring in 1988 will become an incentive for our nations to "follow in the best traditions of our history and elicit changes which would make Czechoslovakia again capable of meeting demands which current developments in Europe and in the world place on it." One of the groups which will endeavor to accomplish this, is to be the Democratic Initiative.

The Democratic Initiative has the task of completing the demands placed by anticommunist centers on the anti-socialist forces in Czechoslovakia. It agrees fully with the

global march of anticommunism which takes a position against the lessening of tensions in the world. In an effort to emphasize the "political orientation" of the Democratic Initiative, it is being popularized above all in the emigre press and by broadcasting stations of the Radio Free Europe type. And it is also this very station which spells out what thus far the leading activists of the Democratic Initiative did not want to say. It provides addresses of the "founders" in order to help organize its adherents. It publicizes antisocialist acts, for example in connection with 21 August and later with 28 October. Some activists of the Democratic Initiative are resorting even to open threats combined with expressions of protest against the intervention of our security units and with ignoring the laws of the CSSR as well. "If a speedier reform does not take place, there is danger of a breakdown of our society." Is this an open threat of counter-revolution? In an effort to increase its popularity, mainly abroad, on 15 September 1988 the Democratic Initiative proclaims itself to be a "political and social movement."

In the middle of 1988, the journal FORUM OF THE DEMOCRATIC INITIATIVE was to begin publication. Its purpose was to elucidate its strategy and tactics. It was to become the basic platform for anti-Soviet propaganda. Debates in the pages of this journal were to lead to the repudiation of socialism and the leading role of the CPCZ in society, to the promotion of the role of elitists in our society and the place of Czechoslovakia as an "integral part of Europe." Meaning, without alliance with the USSR.

Toward the end of 1988, the Democratic Initiative announced the cessation of its activities. As the reason it cited the "strong pressure from the state power." However, in a commentary in the Radio Free Europe, given by P. Langr, another reason is mentioned as well. Possibly aimed intentionally also at other potential adherents of the antisocialist forces who, however, have not acted publicly as yet, the commentary makes the observation that "the group would not have had to cease its activity if it had been supported by citizens' solidarity.... An occasional conspiratorial tap on the shoulder when no one else is present, you are doing a fine job, simply was not enough in the given situation. What was needed, was not to be merely a bystander." It is obvious that a role was played in this also by the fact that among the broad strata of workers and citizens of our country these "initiatives" did not gain support.

Not even the activists of the Democratic Initiative took the announced cessation of activities seriously. It was undoubtedly only a tactical measure for the purpose of regrouping forces and putting pressure on other chartists so that they would pay more attention to the Democratic Initiative. Its activity is again mentioned by Radio Free Europe on 22 and 23 December 1988 in connection with an appeal which it issued and which contains demands to "release prisoners of religious orientation." The appeal is formulated as a "part of a petition," but we never learn

anything about the outcome of this petition. In connection with the preparation and course of the activities on the anniversary of J. Palach's self-immolation, the Democratic Initiative at that time is already engaged in "normal" activity.

By its activities that followed, the Democratic Initiative proves that chartists understood the point made by I. Svitak, that "small piecemeal acts" cannot have the expected effect which would bring concrete results in the struggle against socialism. It is getting ready for more decisive acts.

The goals and plans of the Democratic Initiative are obvious. Its intention is to break up the existing political system. People who are in the forefront of this initiative—R. Battek, M. Dus, M. Hajek, V. Havel, L. Hejdanek, L. Lis and others—cannot become reconciled to the fact that in our society the program of restructuring and democratization points the way to its development. But they themselves are unable to conceive of a realistic alternative to this program. And if they do, then it takes the form of a return to the past.

The demands of the Democratic Initiative prove that there are differences among the chartists. Some of the chartists are already trying to provoke a social and political conflict, in which they would push their own personal interests without regard to the difficulties and harm which such a conflict would cause the working people.

From the ideas of the Democratic Initiative activists, published in emigre journals or presented by foreign broadcasting stations, it is obvious that they are attempting a return to some modern form of a liberal-bourgeois democratic society.

The so-called social principles, on which Democratic Initiative wants to base its activities, also have the same goal.

They speak about "popular politics following upon the democratic tradition of modern Czechoslovak society characterized by the names of Palacky, Havlicek, Masaryk." In Palacky they are looking for a "national identity," the status of the intelligentsia as the elite of the nation. That which was progressive in the struggle against Hapsburg absolutism, they want to use also in the present. Even the lasting legacy of Havlicek's progressive activities and work is misused for the sake of their effort to achieve "freedom of information and the press." Masaryk, with his idea that "democracy is debate," is a model for a democracy of "class reconciliation," directed against the political power of the working people.

The Democratic Initiative wants to attempt "politics which draw on the legacy of a 1,000-year-old European spiritual tradition, the Christian tradition." According to the activists of this initiative, "love for your fellow man

is to be transformed in politics into the principle of tolerance and considerateness." But at the same time, the daily discrediting of our society, of the achievements of millions of working people, and slanted exaggerations of existing shortcomings unequivocally prove that they are not interested in "tolerance and considerateness" at all, or in the "love of your fellow man." They are interested in returning to pre-February 1948 days.

The antisocialist orientation of Democratic Initiative is evident also in the demand: "Politics is to lead toward integration of our society... creation of a new consensus, a social contract." People of various views, beliefs, and interests should join together to work for the future of our country. But not through democratization and restructuring, not on the platform of the National Front. Their "working together" is understood by the Democratic Initiative as working without communists.

The example of the Democratic Initiative proves that these days the words of V.I. Lening are more then relevant: "We must wage a constant struggle against all bourgeois ideology, no matter what modern and resplendent garment it wears." The ideology pushed by the Democratic Initiative is such a "modern" ideology. It is the ideology of the bourgeoisie, which is trying to regain its lost position. Many demands of the Democratic Initiative are formulated attractively, but understandably sometimes also cautiously. Nevertheless it is quite obvious that the attempts which the Democratic Initiative and some other so-called independent initiatives make are aimed at a confrontation with the political system of socialism. They cannot be tolerated, because "they have nothing in common with true democratization, restructuring, and interests of our people."

The Movement for Civil Liberty, as another of the so-called independent initiatives, graphically illustrates the polarization and differences among the chartists, who in this case were present at the creation of this group. The initiative is oriented toward discussion of the rights and freedoms of man. Its orientation and activity show that it has an antisocialist bias. In contrast to other initiatives, however, its objective is to penetrate into all social levels. It represents the effort to negate the freedoms which exist in a socialist society, the reality of that society, and to call into question the objectives of the restructuring and democratization. It attempts to prove that in our society there is a growing opposition which should gradually find wider support among the citizenry.

To understand the goals and the ideological political objectives of the Movement for Civil Liberty, the purpose of some of the other so-called independent initiatives needs to be at least briefly described. Charter 77 itself proclaimed already in its preamble that it cannot be a political movement. Another independent initiative, directly derived from Charter 77—Committee for the

Defense of the Unjustly Persecuted—is fulfilling the task of specific “protection” of those, who according to the chartists “fight for freedom and are persecuted for their convictions.”

The T.G. Masaryk Society, which came into being in 1988 as an expression of the need of some chartists to use the legacy of that thinker, politician, and statesman for antisocialist activities among the citizens of Czechoslovakia, has little appeal among the public who no longer connect the ideas of T.G. Masaryk with their own personal experiences. Moreover, there is the danger that his ideas will be identified with the antilabor practices of the pre-Munich republic, which are still quite vivid in the subconscious of older people. The Democratic Initiative obviously makes it clear that it has a lot in common with the forces which were the bearers of the counterrevolutionary efforts in 1968. Therefore, increasing the interest in activities of the “independent initiatives” remains a logical task for the Movement for Civil Liberty.

It makes itself known by the so-called manifesto named “Democracy for Everyone.” According to foreign sources, it was signed by 122 people. On 17 October 1988, the broadcasting station BBC acquaints its listeners with the contents of the manifesto. Among the “authors” and initiators of the manifesto we again find the known chartists—V. Havel, L. Lis, J. Dienstbier, L. Vaculik, Jiri and Jan Rumlov. According to their opinion it is to be a loose “association of people who are not indifferent to the future of the country and who will try to find in discussions a more acceptable alternative to its future appearance.” Understand: the alternative of a gradual liquidation of socialism. This movement sprang from the anxiety that the restructuring will continue to develop real freedoms and rights of the citizens.

In contrast to the Democratic Initiative, real “activity” is not the point here, but a “discussion.” By “getting involved” is understood taking part in debating forums arranged by this initiative in workplaces or in communities. Promoting various general or local demands. The Movement for Civil Liberty wants to “provide the terrain for a truly free expression of political will by citizens, and thus also the setting for the crystalization of various more specific efforts in the political and special interest areas.” Again let us note how skillfully they use the terminology which we associate with the restructuring and democratization of our society. (They are counting in this respect on the lesser political experience of the young generation in particular.) The broad structure of our National Front provides enough opportunities for the political and special interest activities of our people. However, the Movement for Civil Liberty is after something else: to be, without doubt, a group in which the training of the chartists’ followers for an open political struggle will take place.

The authors of the “manifesto” fully identify themselves with democracy of the Masaryk type, with his concept of shaping Europe “as a gradually integrating community

of democratic countries.” In this Czechoslovakia is given a large role. How it would play such a role under the leadership of adherents of Masaryk’s democracy, we already know well from the time of the pre-Munich republic and from the history of Munich. Such a concept, which the activists of the Movement for Civil Liberty present, reminds us too much of the effort to bring about a situation where the socialist community would lose its position and the Soviet Union would again fall into capitalist encirclement.

Democracy is to be attained by a “general regeneration of society, by building democratic structures.” “Civic courage of the individual and the creation of new social conditions and structures” must go hand in hand. These themes strikingly recall not only the content of the “documents” of the Democratic Initiative, but also the program which in 1980 the extreme wing of Solidarity in Poland presented as an alternative to the socialist government.

“The road to real democracy” is to be realized by introducing political pluralism. Let us add—of course from antisocialist positions. And in such a way that “no world view would be placed by the state above other views.” Or in other words, to accept the principle that the scientific world view would be placed at the same level as, say, the petit bourgeois? It is not only an obvious attack on the leading role of the CPCZ, but also an attack against the working class and other working people, their interests and needs.

For this movement “economic pluralism” also is of decisive importance. “New forms of national ownership of enterprises including self-management forms” should be sought. Behind these words is cleverly hidden the idea of the so-called popular capitalism. Large-scale industry should not be subject to “political points of view” whose purpose according to them is only to create “artificial unemployment,” but it should be creating means for a “liberal support of the private sector by the state.” Thus in the end, behind the “democracy for everyone” one can clearly see the outline of a return to private capitalism.

The “manifesto” also expresses reservations about the state agencies, security, and army, about the existing laws and legal system of our country. One of their main demands is for the “freedom of spiritual life.” “Cultural freedom in the broadest sense of the word” is demanded. But by that they mean a culture shorn of socialist values, a culture that would affirm a bourgeois way of life, nihilism, and scepticism.

Nor is “freedom of religion” forgotten, which, however, in its consequences, considering the fact that the existing legal protection of the freedom of belief is not “sufficient” for them, should in the end lead to a monopoly of religion as the world view of our society.

It is not by chance that we also find in the "manifesto" the demand to create "independent trade unions." They are supposed to become an instrument of opposition to the state and the employer. Thus, the same thing which was demanded by the leaders of Solidarity, its extreme wing, in Poland in 1980.

The manifesto also demands the demilitarization of society. It speaks in favor of the departure of Soviet troops from our territory and of a "substantial curtailment of military service," without the need for balanced steps by both sides, therefore capitalist countries as well, being taken into consideration by the authors.

According to the authors of the "manifesto" the liquidation of the socialist federation system of our republic cannot bear delay either. Therefore: "The effort to attain democratic plurality should be accompanied by an understanding of the natural differences in social structures, which it would obviously aim for in the individual national republics." All told, we should go back to the conditions of the pre-Munich republic, when Slovakia, for instance, was a source of cheap labor and raw materials for the Czech bourgeoisie.

The authors of the "manifesto" would not forget even the problems of the ecology or the problem of "Czechoslovakia as a part of Europe." Dramatizing the problems in the environment and at the same time keeping silent about the concrete steps which our society is taking in this respect, is to prove that socialism is unable to resolve this matter.

Whereas the preamble to the manifesto invites discussions, in the conclusion the authors of this pamphlet, which strongly recalls the 2000 Words from 1968 (it is not by chance that among the authors we find L. Vaculik) call on all citizens "to use those means which they deem the most appropriate to start on the journey which we propose." By means of a discussion, then? Or by means of a counterrevolutionary action?

The Movement for Civil Liberty thus becomes, in contradiction with its name and the preamble to its "manifesto," a promoter of militant efforts of some activists of the so-called independent initiatives. Its orientation—despite the fact that it uses noble words—is aimed at causing anarchy in society and in antagonistic situations, favorable for a possible political attack on the principles of socialism and achievements of our citizens in building socialism.

It is obvious that neither the Democratic Initiative, nor the Movement for Civil Liberty are a spontaneous expression of people's discontent, as the activists of these initiatives as well as foreign sources insist. They are a manifestation of the activities of the anticommunist front, its objective of eliminating communism, while at the same time their "ideal" keeps changing in its specific content. As it was already written in the past by the patrons of "TVAR"—J. Hajek, L. Mnacko and others:

"...ideals once adopted do not retain their vitality automatically but always require new interpretation and new specific content under new conditions."

A closer look at the ideas and content of the documents of the Democratic Initiative and the Movement for Civil Liberty tells us that only the form of anticommunist propaganda and activity is changing. The dogma—to sweep away communism—remains. As the only universal in relation to man, the activists of these initiatives recognize only human subjectivity, individualism full of scepticism, and hatred of socialism. They basically have the character of people to whom apply the words of K. Marx from the essay on Lord Palmerston: "When unable to master a subject (or does not want to master it—author's note), he knows how to play with it. And when wanting in general views, he is always ready to tissue elegant generalities." The fact is, that the authors of the "manifesto" and those like them not only do not comprehend the movement in the socialist society, but for understandable reasons they refuse to comprehend this movement. That would be in contradiction with their interests.

Opinions, positions, and activities of the antisocialist forces do not contribute to the development of society, they create an atmosphere of unrest and tension with the aim to destabilize the situation. Although they are using appealing words and phrases, their political method is demagoguery and efforts to manipulate public opinion. "These are dangerous matters, which have to be resolutely repudiated."

Urbanek Discusses Preparations for 18th Congress

24000120a Prague TRIBUNA in Czech
No 11, 15 Mar 89 pp 1, 3

[Article by Karel Urbanek, member of the Presidium of the CPCZ Central Committee, chairman of the Committee for Party Work in the CSR: "Forward to the 18th Congress"]

[Text] In October 1988 at its tenth session the CPCZ Central Committee decided to appoint the Committee for Party Work in the CSR. Its organization fully respects the international unity of the party and the principles of democratic centralism, and is an important step toward the fulfillment of the tasks set by the 17th Congress and by the consecutive sessions of the CPCZ Central Committee for the conditions of the Czech Socialist Republic.

The statute by which the Committee was organized signifies new approaches to party work. It is part of the CPCZ Central Committee's effort to develop Leninist principles of party work, especially democracy within the party, to strengthen the party's ideological, organizational and operational unity, and to upgrade the capacity for action among the party ranks. As the main purpose of the Committee we regard its effective aid in accelerating

the socioeconomic development in the CSR by means of social restructuring and democratization, and fundamental improvement of the standard of management and work of the communists in state, economic and public agencies of the CSR.

The Committee assumed the responsibility for party work in the Czech Socialist Republic and thus, the agencies of the CPCZ Central Committee will be able to focus more attention on conceptual issues and on more efficient administration of programs of the whole party. At the same time, an opportunity was created for the restoration of symmetry in the building of the party. It should be emphasized that this is not a question of the party's federalization, but rather the establishment of a missing territorial agency of the united Communist Party of Czechoslovakia.

The Committee for Party Work in the CSR is concerned about the political, economic, social and cultural development of the Czech Socialist Republic. This determines the contents of its agenda. Since its inception it has dealt, for instance, with the principles of public information by the state agencies of the CSR; it discussed the focus of the agenda and the main tasks of the Central Committee of the CSR National Front for the current year; on its agenda was a review of how the communists in state agencies and national committees fulfilled governmental directives aimed at improving the transportation of employees to and from work, at the standards of lectures on Marxism-Leninism in colleges, and at the curricula of institutes offering such instruction. Furthermore, it assessed the fulfillment of tasks in reducing the apparatus of central agencies in the CSR, including the reassignment of persons dismissed from their jobs, and prospective uses of acquired premises.

The plan of operations for the first half of 1989, for example, envisages discussions of summary forecasts for the socioeconomic development of the CSR up to year 2010, reports on the completion of comprehensive housing construction, the contribution of the communists in the Czech Association of Cooperatives to higher deliveries of goods for domestic markets, and reports on preparations for annual membership meetings and CPCZ conferences. Lower party agencies and organizations as well as communists in managerial positions will render their accounts for their work; a number of additional analyses, proposals and data on economy and other sectors of life in the CSR will be drafted.

Fundamental tasks of the Committee include management by communists, party officials and organizations in central agencies of the CSSR, and by party committees in selected state enterprises. Moreover, the Committee is responsible for cadre policies in CSR agencies and in other sectors in accordance with cadre directives approved by the CPCZ Central Committee. It assesses proposals for appointments to party, state and economic

offices in the CSR included in the nomenklatura of the party's central committee, and proposes competent and experienced functionaries from the CSR for higher party and public offices.

An important part of its programs includes reviews of the fulfillment of decisions issued by the CPCZ Central Committee and its agencies; efforts to improve political, organizational and ideological programs of basic CPCZ organizations; training of communists and citizens without party affiliation; general application of experience from the implementation of new methods and forms of work and from the fulfillment of tasks of our socioeconomic development.

In our view, it is extremely important to demonstrate initiative when focusing on the advancement of culture and arts in the Czech Socialist Republic, and to provide opportunities for this vital area of our life, so that it may effectively contribute to the restructuring of our society and to the further socialist development of our country. We are aware that there are many problems in this area which must be dealt with, and that much has been neglected in the past. We are prepared not only to discuss problems, but, in accordance with our economic potential, to keep insisting that they be rectified and resolved. In this we expect the support, help and also energetic participation of all those who are part of our cultural vanguard and who are concerned about the future of our socialist country.

All through its history the communist party has always been closely united with progressive arts and their representatives. We give our wholehearted support to all artists striving for progress and who want our culture and arts to enrich the life of our people, to forge deep bonds of our citizens to our socialist country, and to foster such ethical qualities as honesty, integrity, decency, exemplary attitudes to work, study, to our parents and partners in life.

The first months of the Committee's operations have already shown that its organization was a step in the right direction. The Committee was well received by our party and our unaffiliated public. The communists and also the citizens without party affiliation hope that the Committee's work will help overcome the shortcomings in individual sectors and in particular, bring about substantial improvement in every area under the competence of the CSR authorities. I may say with full responsibility that we shall do everything in our power to honor the trust and expectations invested in our work.

At present our party and society are on the threshold of a significant era. Following the decision of the 12th session of the CPCZ Central Committee, the preparations for the 18th Congress of the CPCZ began. The convocation of the congress one year ahead of schedule reflects the intention of the party's Central Committee to discuss the tasks stemming from the social restructuring in the party's supreme body, and to adopt decisions and

conclusions that will safeguard its future development. The principles of the party's Program, which are being drafted, will set up the policies for the upcoming period; a new constitution is being formulated in cooperation with the National Front. These documents will be presented for discussion to our nation, not only to members of the communist party but to all our citizens. New by-laws are being formulated to conform with the demands which the current stage of the building of socialism imposes on our party and on its members. Their draft will be discussed within the party.

Annual membership meetings of party organizations and conferences in factories, enterprises, cooperatives, communities, okrzes and krajs are the most important grounds for preparations for the congress. According to the decision of the presidium of the CPCZ Central Committee, our Committee adopted its own "active measures" for their organization. Its purpose is to involve the CPCZ agencies and organizations in the CSR in preparations for the 18th Congress and to engage communists in the planning and organization of annual membership meetings. Our objective is to conduct stimulating in-depth discussions within our party and an open dialogue with everybody who wants to take part in the further development of socialism; to assess achievements in every community, in every workplace, okres and kraj; and to frankly identify shortcomings and problems that require immediate solutions. Furthermore, measures that must be adopted and implemented have to be publicly discussed if we wish to advance in the socioeconomic area.

During the preparations and at annual meetings and conferences attention will be focused on social restructuring and democratization so that the planning and the proceedings of annual meetings and conferences may provide an opportunity to explain their concept and purpose, and so that people may learn that if this process is not fulfilled, there can be no progress, and that it is in their own interest to take an active part in the implementation of these revolutionary changes. At the same time, a struggle must be waged for daily realization of the restructuring and democratization. After all, the restructuring is not an abstract notion which should be verbally endorsed; it is primarily a struggle for the fulfillment of the economic tasks stipulated in this year's plan for better goods, for conservation of power and materials, for practical application of scientific and technological achievements, and for wages according to one's accomplishment. The restructuring in economy must result in higher production, increased labor productivity, in goods that can withstand the challenges of international competition, and well-supplied domestic markets. This applies to democratization as well. We must start first of all with our party. Every basic organization must create a democratic atmosphere where no one will hesitate to express his or her opinion. National committees and public organizations must implement specific measures. Bureaucratic obstacles must be removed, the state administration must be brought closer to the people, and

in particular, the people must be offered the opportunity of direct participation in the planning, introduction and control of our policies. Party agencies and organizations and the communists, no matter in what sector they may be involved, must wage the struggle for the restructuring, democratization and for the fulfillment of our current economic tasks. We expect other political parties, trade union, the Youth League and other public organizations and their members to contribute in a meaningful way to the fulfillment of all our tasks, so that intensive work and public activity will precede the congress, because it is in every citizens' interest to accomplish the tasks for this year and for the whole 5-year plan in the best possible way. Without the further economic growth we cannot develop even our social program, nor satisfy more material and spiritual needs of our people.

The current period is a breakthrough that poses new challenges not only to the contents but also to the forms and methods of the work of the party and of our economic and state institutions, including the central ones. Such methods of labor that will lead to more effective public control of performances of officials in charge, such as, for example, accounting rendered by managers and official to labor and party teams or to voters, must be more broadly applied. We demand that basic CPCZ organizations fully apply the well-tested experience of assigning controllable personal tasks to their members. For that, good opportunities will be provided by consultation with members as part of the preparations for annual meetings.

More than ever before, problems which are the bane of people's life call for attention and speedy solution. Chronic shortcomings are very often avoidable and solvable, otherwise they breed distrust and doubts about the effectiveness of our party's policies. This applies, for instance, to the shortcomings in the market and services, to bureaucratic condescension of officials to citizens, and also to the lack of labor and civic discipline, disorder in workplaces, cities and communities, to the leniency toward sloppiness, parasitism and opportunism which are detrimental to society, and so on. All this may—and must—be resolved without delay and without waiting for instructions or step-by-step directives.

Current tasks pose greater challenges to thorough observation of cadre policies. These pertain most of all to the planning of the CPCZ's annual membership meetings and conferences as well as to preparations for elections of self-governing labor teams and of directors of state enterprises. We must proceed from scrupulous evaluation of all managers and officials of our party organizations and agencies. Every sector must ensure that individuals who are willing and able to master the tasks stipulated by the strategy of acceleration, to inspire and mobilize labor teams in this direction, be nominated and elected to positions of leadership. The main criterion for the rating of performances by officials and managers is their accomplishment. When deploying cadres, we must

scrupulously examine their expertise, their organizational and administrative skills, their political maturity, integrity and modesty, their devotion to socialism, and their ability to implement the policies of the Communist Party of Czechoslovakia with determination and initiative. Next to communists, more officials without party affiliation, members of other political parties, women and young people than ever before must be elected to office. By the same token, we shall be consistent and see to it that everyone gets a position according to his or her capacity. Those who have lost their ability to manage certain sectors, must be transferred to less responsible jobs. This is one of the principles of regular cadre rotation which must be observed because its violation could lead to grave errors. In particular, well-planned cadre training in every area and their preparation for the fulfillment of their current and future tasks are serious challenges.

The second stage of the restructuring of our production, technical and currency base is nearing its completion. This is one of the main prerequisites for full application of the new economic mechanism to begin as of 1 January 1990. Besides dealing with cadre issues in established state enterprises, the Committee for Party Work in the CSR pays most attention to the organization and programs of party committees in those enterprises.

We have set out on the path toward restructuring and democratization which we regards as irreversible; it is, and without doubt will always be, a difficult process. We must tackle our current tasks and at the same time, plan and translate into reality new approaches and learn new methods of work. Breakdowns and tensions may occur, particularly at present, when, for example, the old economic mechanism is no longer effective, and the new mechanism has not been introduced. When we launched the program of restructuring, we never promised anyone that it would be an easy and comfortable ride. From the very beginning we warned that the restructuring cannot be implemented on the basis of a decision or with a wave of a magic wand, but only if everybody will work diligently. The process of restructuring and democratization will produce positive results only if it is implemented by efforts from the top down and from the bottom up, and if it will become the concern of all citizens loyal to socialism—of the communists, the unfiliated, and members of other political parties.

Therefore, our party puts such an emphasis on the development of all forms of socialist democracy, on people's involvement in policymaking, implementation and control, on the application and continuous upgrading of public information, on expanded dialogue, discussion, and creation of conditions that enable people to express their views on proposed policies so that their suggestions may serve as a point of departure.

When implementing the program of restructuring, we proceed on an unbeaten path and learn from the experience of our fraternal parties, especially from the inspiring example set by the CPSU. However, this does not

absolve us of responsibility for acting in accordance with our situation and with respect for our party's past and present experience. We must expect risks, prospective errors, conflicts as well as situations where some measures may prove ineffective or incorrect and must be corrected.

The restructuring of society was met with considerable response and welcome on the part of the communists as well as most citizens of our country. However, in our daily political practice we have not always successfully translated their endorsement and support for the restructuring into specific deeds. Therefore, our party agencies, organizations and all communists as well as the whole National Front must focus on transforming that support into the fulfillment of quite specific socioeconomic tasks.

We are grateful that the policies of the USSR and other Warsaw Pact countries have created favorable international conditions of our restructuring. The concluded agreements on abolition of two classes of nuclear arms and the ongoing U.S.-USSR dialogue reduced international tensions. Without any doubt, this improved cooperation between countries with different social systems. Our republic which is directly involved in this process has proposed that a zone of trust be established between the countries of the Warsaw Pact and of NATO, recommended that consultation be held by premiers of the countries neighboring with the CSSR to resolve ecological problems, and made other proposals. Moreover, we fully support other peace initiatives of the USSR and of the Warsaw Pact for the continuation of the disarmament process. We have offered a tangible proof of that by our unilateral decision to reduce the arms systems and the number of combat troops.

Nevertheless, we would be blind if we would not recognize the fact that with this positive development foreign emigre and anticommunist centers have become conspicuously activated against our country. By their own operations and by stirring up the antisocialist forces in our country they try to distract our attention from the pursuit of our main tasks and thus, to exploit the restructuring and democratization in order to destabilize our social system.

The events in Prague in August and October 1988 and in January of this year have shown that our domestic enemies organized in "Charter 77" and other "independent" groups have advanced from covert actions to attempts to provoke open confrontations. The heirs of the pre-February reactionaries, illegal church structures, active supporters of revisionism and of antisocialist policies from the period of crisis in 1968-69 have joined in the struggle against restructuring and socialism with other individuals who for one or another reason had rejected socialism. They are trying to influence and persuade mainly the young and inexperienced people as well as other strata of our population. They intend to

provoke in other centers of our republic direct confrontations like the ones they initiated in Prague. They speak about freedom, human rights, democracy, dialogue, compliance with laws, but those buzz words are only camouflage and political demagoguery to hoodwink people. In reality they are trying to nullify socialist advantages which the working people in our country gained in February 1948. After all, what else do they mean when they demand, for example, that the leading role of the workers' class and of the communist party be abolished, private ownership be restored, and "independent" trade unions, communications media and publishing houses be established, and when they attack the armed forces, the State Security Corps and the Peoples Militia?

These groups declared a war against our socialist system; it is a struggle against our workers, members of cooperatives, intelligentsia, youth, against our peaceful life, social welfare, against our country. Messrs Havel, Sabata, Lis, Benda and their ilk are not in the least concerned about democracy, freedom, the environment or a dialogue on the basis of socialism, but about the restoration of capitalism with all its consequences which that would mean for our country.

For that reason no concessions can be made to them. However, their goals must be revealed by vigorous and aggressive political work and our policies must be explained, but first of all, we need deeds—deeds that will eventually remove and overcome the existing shortcomings which we frankly admit; we have pointed out the ways to correct them. Our enemies are exploiting many of our shortcomings in order to discredit our party's policies, our state agencies, and our socialist system. Communists and all honest people cannot remain passive to such activities. We are firmly convinced that as the reactionaries crashed in February 1948 against the strong bulwark of our party and our people who clearly rejected their game, when the forces of our foreign and domestic enemies attempt to halt the restructuring because it strengthens socialism they will crash against the same solid and united wall of working people in our country. This has been confirmed by the attitude of labor teams to the January incidents in Prague and also by the spontaneous support expressed by our party trade union, youth and other agencies and organizations, factories, cooperatives, and individuals for the Declaration of the presidium of the CPCZ Central Committee on the 41st anniversary of the Victorious February. In general terms of our heretofore progress, it outlines our further perspectives and provides the basis for the political work of our party and of the National Front at this stage.

To fulfill the tasks of social restructuring, to implement democratization and develop our economy, we need peace, order and a creative atmosphere. Along with consistent realization of adopted principles and with people's activity and initiative, those are the basic prerequisites for an honest fulfillment of demands which the current breakthrough period has posed to us. We may argue and hold different opinions, there may even be

controversies and conflicts, but the dialogue in which we are engaged and which we shall continue, must proceed according to social principles and in a peaceful, creative and stimulating atmosphere. Its purpose and goal must be no other than intensification and further development of socialism. Anyone who would try to downgrade the current efforts of our party and society in order to weaken socialism and destabilize our social system, will exclude himself from our country's political life and join the ranks of those whose aspirations have been rejected once and for all by the working people in our country in February 1948 and after the years of the 1968-69 crisis.

Upon the proposal of the committee for party work in the CSR the presidium of the CPCZ Central Committee recently decided to adopt TRIBUNA as its official publication. TRIBUNA has a glorious militant tradition earned in its bold struggle with the revisionist and antisocialist forces during the period of crisis, in its fight for the consolidation of our party and society, and by its effort to implement the decision of the 14th and all subsequent CPCZ congresses. At present it again wholeheartedly supports the restructuring and democratization of our society and fights for it.

We expect that as the publication of the Committee it will continue on this path, that it will struggle valiantly for the implementation of our party's policies and help implement them in the CSR. The fundamental concept of TRIBUNA—an ideological, political and economic journal—will remain unchanged. The materials in the column on our domestic and economic policies will acquaint our party and the unaffiliated public with the activities of our Committee, of the CSR Government and of the Czech National Council, with fundamental socioeconomic tasks promoted by these institutions, with their adopted decisions, and particularly with the process of practical implementation of stipulated tasks.

Members of the Committee, members of the CSR Government, members of the presidium of the Czech National Council, and other representatives of the political, cultural and social life of the Czech Socialist Republic will be regularly featured in TRIBUNA and inform our public how the sectors under their guidance have fulfilled governmental declarations and decisions of the 17th Congress, of the sessions of the CPCZ Central Committee and of our Committee. We are certain that following its tradition, TRIBUNA will serve as a real tribune for exchanges of our working people's views and experience. To that end it will regularly publish discussions and opinions of workers, members of cooperatives, technicians, scientists, representatives of culture, and other working people. A prominent place on the pages of this journal will be reserved for generalization of experiences from our party work, from the activity of national committees and from the work of communists in public organizations.

It will continue to focus considerable attention of materials and topics pertaining to ideology and foreign policy, which have become a significant asset in the arsenal of

our party's working conferences and of propagandists, and from which our readers learn positions on all relevant developments. We intend to turn TRIBUNA into a military party journal, so that it may serve as an important tool for intensification of public information, take an active part in the fulfillment of our party's policy in the CSR, become a publication which will merit the trust of its readers, and provide materials that will help them in their work. We shall fully support its editorial board in this effort.

Restructuring Should Not Be Limited to Economy
24000134b Prague NOVA MYSL in Czech
No 4, 1989 pp 103-109

[Article by Radomil Hruska: "Culture and Restructuring—Theory and Practice"]

[Text] Restructuring provokes. It forces us to think about a multitude of problems. Among others, about the necessity for a Marxist-Leninist contiguity of revolutionary theory and revolutionary practice. About carrying out the credo of Marxist-Leninist thinking expressed by the thought that we are developing the theory in order to change the world.

This is tied in with many complexities which are now being debated. The backwardness of the social sciences and the culpability of politicians as well as scientists for it, the unwillingness or inability, the lack of readiness to actively apply theory in practice. The formalism in assimilating Marxist-Leninist theory, which permeated education in Marxism-Leninism, resulted in the recitation of maxims which was equated with the espousal of the scientific theory of society. Thanks to various courses, schooling, and constant repetition of the same things from elementary schools to institutions of higher learning, thousands should be thoroughly versed in these maxims. Nevertheless there are problems with revolutionary practice.

Wherein does it consist? Plainly, in people. Specifically, however, in the fact that knowledge does not necessarily mean the espousal of the dialectic-materialistic way of thinking, on which was contingent, for example, Lenin's development of Marxism as well as his practical revolutionary activity. The prerequisite is an innovative approach—new thinking.

I have been involved in the cultural area already for several decades, both in theory and in practice. My recent experiences tell me that a number of new problems are opening up. That is logical, as long as there has not yet been an effort to find solutions to them (and the solutions found), for example, what place culture has in restructuring, how to direct it, how to finance it, and many others. It would be interesting to try to resolve these questions without turning to the usual stereotypes. I offer the reader the results of this attempt for him to think about.

However, circumstances force me to comment briefly on one basic question. And that is, limiting the restructuring to economic reform, which we are still encountering (and even in cultural institutions). More often than not, the economic aspects of restructuring are emphasized to the detriment of others. What happens is that defining tasks in the economic area as the task of overriding importance is taken for the substance of restructuring as a phenomenon. And forgotten is the fact that we are talking about a complex phenomenon which embraces all areas of societal life, some of which can have significant and decisive impact on economic processes. Although I do not want to resort to quotations, I take the liberty in this respect to support my basic position by mentioning the well known, but still very important and instructive statement of F. Engels: "Marx and I are ourselves partly to blame for the fact, although it was not our intention, that younger people sometimes place more stress on the economic side than is due to it. We had to emphasize the main principle vis-a-vis our adversaries, which they denied, and we had not always the time, the place or the opportunity to allow the other elements involved in the interaction to come into their rights. But when it was a case of presenting a section of history, that is, of a practical application, it was a different matter and there no error was possible." [the phrase translated here as "although it was not our intention" does not appear in the original text by F. Engels] This point of view can of course be supported also by the critical response of M.S. Gorbachev addressed to academician Abalkin and the "economic determinism" which he advanced at the 19th All-Union Conference of the CPSU.

Such limiting of the restructuring to an economic reform undoubtedly also reflects departmental interests, an underestimation of theory and an underestimation of other spheres of societal life. So much for a brief comment on the content of the restructuring.

When carrying out an experiment, observing one fact and one known principle is suggested first of all. I have in mind the fact that Marxist-Leninist science gave a lot of attention in the past several decades to the theoretical questions of culture. In the Soviet Union, here, and in other socialist countries there exists a rich literature devoted to studying the questions of culture from the most diverse standpoints—philosophical, sociological, cultural theory, psychological, and others. There are a number of incentives for practice which deserve more attention than they have been given thus far. The use of the theoretical solution to questions of culture is connected with a principle the application of which is of fundamental importance for the solution of any problem. To characterize it, I shall again borrow the words of a classic: "...he, who solves individual questions without a preliminary solution of the general questions, will unknowingly come up against those general questions. And to come up against them blindly in every specific case means to condemn our policy to the worst faltering and lack of principle."

These words are well known, often quoted, but not always assiduously kept in mind. But for a sustained realization of the restructuring process it is an advice of supreme importance on how to proceed. In its essence it provides us with the prerequisites for avoiding subjectivism, voluntarism, as well as bureaucratism and departmentalism, and for arriving at a systematic Marxist-Leninist analysis of social reality as an objective process.

What does the application of the mentioned basic precepts mean for the realization of our objective? First of all it must be stated what we understand by the much-used term culture, whether we are talking about a social phenomenon the development of which we want to influence. A possible objection that it would lead to academic theorizing cannot stand the test.

The success of any human activity depends on a qualitative differentiation of the phenomena which it affects. And if we are not clear about the quality and the essence of the process which we want to influence, conditions are created where we can be subject to "the worst faltering and lack of principle." In our case, therefore, we are talking about a Marxist-Leninist analysis of the cultural process, which is a prerequisite for Marxist-Leninist practice in this area. On that basis it will then be possible to determine the place of culture in the entire complex of the restructuring process.

Such a task does not belong among those which are insoluble, thanks precisely to the already mentioned results of Marxist-Leninist science. The concept of culture has undergone considerable evolution since the fifties. We went beyond the rigid definition which was handed down as a compendium of values, and it can be said that the predominant concept—it is possible to generalize, of course, only with a certain license—is becoming the one which places emphasis on the process of transforming nature, in which man's potential and power are applied and developed. His cultural development we can then understand in this sense as a development of his ability as a subject to creatively approach an object, that is nature and society, as a development of his ability to creatively espouse reality.

On the basis of such a definition of culture we can without any great difficulty answer the question as to what place belongs to culture within the restructuring. According to the classics, capitalism brought about such a growth of the productive forces in society as the previous eras never dreamed of. But they also came to the conclusion that a communist society will bring such an upsurge of those forces as no other previous socioeconomic form—including capitalism—ever dreamed of.

Thinking about these ideas, including the assessment of the current development of the productive forces of the capitalist society, necessarily leads to the question: where is hidden the unused potential the use of which will make possible that unprecedented upsurge of those

forces? Does it rest, perhaps, in an intensive development of equipment, new technologies, scientifically based work organization, and other phenomena of a similar kind? Obviously, that too.

But not the decisive one, that is hidden elsewhere. Its foundation is a new production method and development of production forces which make possible new relations in production. But relations in production and production forces are the concern of people. They, and not machinery, enter into relations in production, they are the determining production force.

And people also represent that decisive, most important potential. And the unleashing, the energizing of people's creative initiative on a literally mass scale is what will prove the historic supremacy of communism over capitalism. A purposeful development of man's creative potential, his initiative leading to the onset of "the play of man's creative forces almost as an end in itself" appears from this point of view as one of the basic laws of the transition from a class to a classless society. If it is not taken into account, it can manifest itself by a stagnation of the development of the socialist society, in crises. It is connected also with what we do not always take adequately into account when trying to evaluate the development of contemporary socialism, or when we are comparing it with the development of contemporary capitalism. Namely, that it places incomparably greater and qualitatively different demands on the level of activity of a subjective entity than does the development of the capitalist society. It is actually also one of the laws of the transition from a class to a classless society, and failure to respect it may have a negative impact on its development.

If we pause to think about the much-used term "the human factor" and the emphasis given to its importance, about the so-desired people's cultural development, then the function and meaning of culture, understood as the development of man's creative powers in the process of affecting reality in his complexity, become clear, particularly in relation to the restructuring.

On this note ended the Plenum of the CPSU Central Committee, devoted to questions of developing the Soviet educational system, which also rightly recalled Lenin's words about the necessity to increase cultural attainments as one of the basic requisites for a successful build-up of socialism. Obviously detrimental was such traditional interpretation of Lenin's ideas that restricted their applicability to a situation conditioned by the cultural level achieved in post-revolutionary Russia and neglected its basic applicability. Marx and Engels were also aware of this. That is confirmed by Marx's words in his well known characterization of the higher phase of communism, quoted by Lenin in his book "State and Revolution": "...when labor ceases to be only a means of life and becomes the prime necessity of life, when with an all-around development the individual productive forces will also grow..."

We shall certainly not err if we identify this all-around development of the individual, on which the growth of society's productive forces depends, with their cultural development.

The cultural process is a segmented system. As its subsystems we can consider the various kinds of cultural activities by which man transforms objective reality. We can of course divide them into various groups. Be it on the basis of whether the object of their activity is "outside" or "inside" a man, a categorization which must take into account the fact that none of the activities directed at an "external" object is not at the same time—to a lesser or greater degree—without an influence on the "internal" object. Or on the basis of their linkage to the work process or the area of free time, man's upbringing and education, etc. In all these activities an individual is realized as the creative subject in relation to objective reality.

Culture, the cultural process, is an integral part of human endeavors, the level of which expresses the cultural level achieved by society, which we can evaluate by using as a criterion the degree of development of people's creativity. The achieved cultural level is significantly reflected in activities connected with the work process, but also with the sociopolitical being of individuals. Its continuous, purposeful growth is therefore one of the fundamental conditions for achieving goals which are set in connection with the restructuring.

What has been said thus far gives us a sufficient basis for going on to more specific problems, to questions which are directly concerned with social practice. The pivotal questions are those which concern the management of the cultural process.

The starting point for solutions, stemming from the preceding reflections, can be summarized in three basic statements: first—culture is a process of creatively transforming reality; second—it is an integrated process permeating most of human activities; third—it is a process which touches every member of a society.

Is the existing method of influencing the cultural process in accord with these statements? In our specific situation, cultural matters are under the care of two ministries—culture and education—in each republic. At the level of national committees, the directing is carried out through various commissions, cultural and school administrations. In this area are also active social organizations (the most important will obviously be the contribution by The Revolutionary Trade Union Movement). But neither can we forget the activities of organizations aimed at developing various special interests of our citizens. The cultural process is of course also affected by the activities of the Commissions for Scientific and Investment Development, Czechoslovak State Film, Czechoslovak State Radio, Czechoslovak Television, etc.

The first glance makes it obvious that we are talking about management which is based on departmentalism. We see therefore that our current system of influencing the cultural process and its development, does not respect one of its basic features—wholeness, comprehensiveness.

Experiences with the activities of the departments of culture and education (and that goes also, unfortunately, for the activities of some social organizations in the cultural field, particularly those which are noted for their overgrown apparatus) show that they are still struggling hard with the bureaucratic method of management, that they have difficulties in overcoming it. That is understandable. Every apparatus is inclined toward bureaucratism, conserving the status quo, its immutability. We thus arrive at an actually unbelievable paradox. We are directing the cultural process, which is characterized by creativity, a constant searching for the new, by bureaucratic methods. This is a contradiction. In this case obviously irreconcilable. Insoluble other than by systematic, purposeful struggle with bureaucratism, by dismantling it.

In connection with the restructuring it is necessary to devote some thought to the management of the cultural process. Not to be afraid of new approaches, of departures from seemingly unchangeable practices.

The management should have a comprehensive character. That means, that it should be directed at all subsystems including those which are linked to the work process (especially because they significantly influence also other cultural activities—it is difficult to solve questions of cultural development if people work in uncivilized conditions, if the work process makes impossible the development of their creative abilities). It should be a conceptual management, based on responsible scientific analyses of the cultural process and its individual areas—subsystems, and at the same time mobilizing broad strata of people to take part in the development of culture.

There are obviously various possibilities for solving these problems while keeping in mind the above mentioned points. For example, it would be possible to make use of the cultural and educational commissions of the national committees. Create cultural committees elected from the ranks of citizens of various professions, but also of specialists, and also interest social organizations in their activities. Provide them with a small but flexible apparatus which would ensure their activity. Cultural committees could be created in a similar way as the national committees (relationship to them would obviously have to be thought through) at the local, district, and regional levels, with the provision that they be headed by the cultural committees of the republics and the federal cultural committees whose elected chairmen would be members of the appropriate governments. Such committees should, of course, be given proper authority. We can think in similar terms about managing

the area of environmental protection. This area should probably be made independent. In this case, too, we are talking about matters which are becoming the object of general interest and which affect every human being. The work in this area and its institutional arrangement should reflect that.

One of the other very much debated questions concerns the financing of the cultural process. Particularly in connection with the introduction of *khozraschet*, self-financing, into our national economy. One can even hear the opinion that culture should pay its own way.

What has been the case thus far? The overwhelming majority of cultural activities in the area administered today by the departmental method, is in the nature of budget or subsidy organizations. Their activities are wholly or to a greater or lesser degree financed out of the state budget, that is by amounts allocated to individual departments on the basis of perhaps a more or less objectively demonstrated actual need for cultural development, or more likely on the basis of a customary claim increased or decreased regularly by a certain percent. In the mentioned departments there are only a few institutions which earn their own way.

The approach to solving these problems must be identical to that which is applied to management. Including the point that the importance of cultural development in relation to restructuring is unequivocal. Naturally, the general economic principles must not be forgotten.

Society spends for its existence and the development of various areas such means that it possesses. The decisions about how and for what purposes to expend them represent the substance of political decisionmaking. It is therefore also a matter of political decision, keeping in mind also strategic goals, what part of these means will be used to ensure cultural development. (Not the activities of departments, but of culture as a comprehensive process.) Considering its importance, our society probably should spend on it the maximum possible resources that it can currently afford. Also keeping in mind that it would be possible to make it a public matter to decide whether in the immediate future, for example with respect to the necessity to increase the level of the cadres, such needs as introducing science into production, developing people's initiative and their creativity, should be given preference over others. Perhaps to the detriment of needs the satisfaction of which is harmful to man, such as smoking, alcohol consumption, etc., by increasing their costs.

In distributing resources in this area we cannot manage without following principles such as searching out the main elements, determining priorities, distinguishing substantive phenomena from the unimportant ones. Undoubtedly it still will be necessary to give more attention to processes which are connected with the training of cadres, with increasing peoples' skills. But setting these priorities should be also based on the

knowledge of world trends. These are, for example, to duly appreciate aesthetic activities as being extraordinarily important for the development of man's creativity (we obviously do not understand creativity in the narrow sense as only the artistic creativity, but man's creativity as a subject toward an object, which distinguishes him from other living creatures).

As far as searching for resources which would finance the cultural process is concerned, understandably a number of possibilities present themselves. It would be obviously wrong to reject the possibility of obtaining those resources also by means of cultural activities. While observing two principles, of course. The first one being that it is not possible to earn money, to make profit the goal in institutions whose type precludes such activity. The second consists in political decisionmaking as to which cultural needs can be met, or which cultural activities should be developed as basic or as luxuries with respect to the possibilities and needs of society.

The source which will continue to ensure the financing of the cultural process is the state budget. However, here we need to give some thought to the requirement that the developments of culture become a matter of general interest. After all, the source of the state budget is surplus production by society, in which production enterprises share. Thus also in the financing of the cultural sphere. That is logical, because the cultural process is reflected in the activities and results of those enterprises. The question comes to mind whether it would not be useful to determine the extent of the resources which enterprises will turn over directly for the support of cultural development. Resources, on the one hand, to be used within the framework of their own place of work to increase the skills and educational level of their own employees, to meet their other cultural needs including greater opportunities to apply their creative abilities in the work process. Resources, on the other hand, which they would turn over to the funds of directing institutions, for example those cultural committees. The amount of these resources could be expressed in numbers by calculating the cost of educating the work force and other aspects connected with improving their cultural level.

It was not the aim of my essay to work out a specific model for directing culture or specific solutions to questions related to the material and economic support for the cultural process. It was mainly supposed to show that the requirement for a more intensive development of theory and its application in practice will also result in our not being satisfied with the traditional methods of solving tasks, which basically only mean "polishing up, cosmetic changes of the old." Theoretical assumptions can after all provide a basis for many an unusual solution, which, although it erodes stereotypical ideas and approaches, will also give greater guarantees of efficient activity by the subjective factor. We shall actually have to look for such unusual approaches.

Local Conditions Shape Marxist Ideology

24000134c Prague NOVA MYSL in Czech
No 4, 1989 pp 119-122

[Article by Lubos Resler: "Ideology of Restructuring and New Political Thinking"]

[Text] Under this title, during 1-3 November 1988, the Marxist-Leninist Institute of the CPCZ Central Committee arranged a science conference with international participation. Taking part were 60 theoreticians and propagandists from Czechoslovakia and employees of theoretical and pedagogic workplaces of the Party from Bulgaria, China, France, Yugoslavia, Hungary, Mongolia, German Democratic Republic, Poland, Greece, Soviet Union, and Vietnam.

The conference was opened by member of the CPCZ Central Committee, Director of the Marxist-Leninist Institute of the CPCZ Central Committee, Vladimir Kunovjanek, Ph.D. Among other things, he made the point that ideological work must continually evolve during the process of restructuring, be somewhat ahead of practice, but at the same time must be enriched by practice. A belated reaction to new conditions and requirements of social development could open the door to activities of antisocialist forces. The task of theory then is to detail the positive and negative features of our way. A vital task is to make clear the nature of the current epoch, the moving forces of development, progressive and reactionary tendencies, and the task of associations of the progressive forces. At the same time it is becoming clear that changes in individual economic formations will be somewhat slow.

In his speech V. Kunovjanek also touched on the relations of the CPCZ with Communist parties in capitalist countries and with social democratic parties. We want to use these relations to strengthen the positive trends in world developments, in the struggle for peace, against war. We also wish to cooperate with mass democratic movements. It is precisely this conference that should contribute to a more effective development of cooperation, and despite differences in points of view should provide incentives for the enrichment of theory.

Corresponding member of the Czechoslovak Academy of Sciences, Milan Matous, in the main speech defined the purpose of the conference to be to compare specific experiences in order to gain an idea about the dialectics of the general and the particular in the current ideological struggle, and deal with its various aspects, particularly in relation to the struggle for the substance, task, and meaning of the new political thinking and the restructuring of socialist society. Ideas expressed in this presentation will be contained in an article by the same author, which NOVA MYSL will publish in coming issues.

Scientific worker at the Marxist-Leninist Institute of the CPSU Central Committee, Jevgenij Jakovlevic Vitenberg, Ph.D in Historical Science, dealt on a broad scale with the powerful impulses which the new thinking is injecting into international developments but also into the internal life of Soviet society, as well as with the serious problems which stem from these necessarily contradictory processes. For example, he expressed the opinion that in the immediate future there will arise the need to struggle with relapses into petit-bourgeois ideology as a collateral negative consequence of the introduction of family leasehold farms, individual work activities, and the cooperative movement. He gave special attention to an analysis of universal and class relations as they manifest themselves in the ideological struggle. He pointed out that giving priority to universal interests before all others, changing the character of ideological rivalry at the international level in questions of the survival of humanity, in no way means a lack of appreciation of the ideological contradiction between capitalism and socialism, which has an objective character and is determined by a profound difference in the class nature of both systems.

Professor Vladimir Viktorovich Alexandrov, Ph.D. in Historical Science at the Academy of Social Sciences of the CPSU Central Committee, dealt with the questions of the dialectics of the survival of humanity and social progress. The core of the problem, as he explained it, lies in the following thesis: humanity must survive, otherwise there is no sense talking about social progress. And at the same time, every step on the road of social progress increases humanity's chances of survival. The new political thinking also requires a deeper look at the dialectics of the basic principles of socialist foreign policy—proletarian and socialist internationalism and peaceful coexistence. While peaceful coexistence is becoming the only reasonable form of conducting international relations, proletarian and socialist internationalism are now becoming inseparable from universal internationalism, the mission of which is to save life on Earth and provide conditions for social progress.

A penetrating exposition of the current development of capitalism in the light of the new political thinking and restructuring was given by comrade Dr Nikos Kotzias, member of the Central Committee of the Greek Communist Party, secretary of its ideological commission and director of the Center of Marxist Research in Athens. He, too, paid attention to the class and universal relations against the background of global problems. Greek communists support the thesis of the CPSU about the priority of global interests in international politics. "It is our judgement," added N. Kotzias, "that this hierarchization is the creative criterion for the foreign policy of the communist movement, the creative method for constructing the framework of international understanding, in which the USA, imperialism generally, and the most aggressive monopolistic circles in particular will be forced to participate. Within this framework it will be possible to unleash all the material and spiritual

human potential to facilitate the solution of global problems against the limited class interests of the monopolies." At the same time he pointed out that the struggle for solutions to global problems does not mean a class reconciliation, a return to an abstract anthropology of the pre-Marxist epoch. After all, the human masses cannot be won over for the struggle for peace and protection of the environment if such a struggle is against their elemental life interests. He came out in favor of strengthening the links between communists and mass democratic movements in the struggle for progress and against the narrow understanding of the common approach of today's left as a cooperation merely with the social democrats, from which other movements, currents, groups, and personalities are to be excluded. The politics of association require, however, that communist parties in capitalist countries give timely and substantiated responses to questions connected with the application of technological progress and its consequences, that they broaden the cultivation of debate.

Professor at the faculty of political science at the University of Belgrade, Sava Zivanovic, pointed out in his speech that the causes of the necessity for the current changes in socialist countries are the accumulated problems in the economic, political, and ideological spheres. Many of them bear the signature of subjectively voluntarist politics, dogmatism, and bureaucratism. The acceleration of changes is also helped by a complex of international factors. The point is to organically integrate socialism with the present, abandon deformations in the definition of its substance and ways and stages of its realization, to develop a concept of socialism which is progressive, humanistic, and democratic, to be open to economic, scientific, and cultural currents in the world. The key factors are an all-around development of democracy, the principle of openness, and an active participation of the masses. The success of the restructuring depends on them. If socialism showed the ability to be the bearer of progress in the past, then it must prove it can be that today as well, in the far more advanced conditions of the turning point between the 20th and the 21st centuries.

Vilin Christov Boev, section chief of the Sofia Institute of Current Social Theories, also spoke about the problems of the nature of these conditions. It is essential to overcome the dichotomy between the technologically advanced West and the technologically backward East, in other words—integrate the merits of socialism with the merits of technological revolution, without calling into question its social mission—to abolish the exploitation of man by man.

Many of the problems of today's socialism are bound with its history. That was pointed out by many of the delegates. V. Boev recalled that the era of the new, progressive order began during the World War, which was reflected in the defensive functions of socialist ideology and policy. Subjectivism and deformation in directing social processes while building socialism gave

birth to a strong tendency to control and use forcible methods. "The human factor became secondary and in connection with that there arose serious contradictions between the goals and the practice of the social sciences," stated comrade Sandzin Damdinsuren, science secretary of the Institute of Social Sciences of the Central Committee of the Mongolian People's Revolutionary Party. He, too, focused his attention on the relationship between the restructuring of all aspects of social life and an objective reevaluation of the past.

One of the basic aspects of restructuring the socialist society is the restructuring of the economy. All participants at the conference agreed on that. According to some of the opinions presented, the restructuring begins with the economy. Scientific worker of the Institute of Party History of the Hungarian Social Democratic Party Central Committee, Istvan Feitl showed it by pointing to the example of Hungarian reforms of the sixties and eighties. Lately, a new model of socialist economy has begun to form, based on the hegemony of various forms of collective ownership. At the same time, forms of private ownership are not forgotten, either.

Increased autonomy of enterprises is the corner stone of reform in the Chinese People's Republic as well. The genesis and the course of the reform was explained by the chief editor of the journal *COMPARABLE STUDIES*, comrade Dzung Ting-pen. At this time China is experiencing a transition from the old system to the new, the speaker stated. He cited the positive impacts of the reform—faster economic growth and a surge in the creative initiative of the working people. On the other hand, he did not hide the fact that some problems, such as, in particular, the weakening control over the extent of investments and consumption, and the rise of inflation, remain for the time being unresolved. All this is being constantly discussed by scientists in China, and various alternative approaches have been suggested.

One of the decisive conditions for accelerating the economic and social development of socialist countries is an efficient application of the results of the technological revolution in practice, as spoken about by comrade Vilin Boev from Bulgaria, and others. The deputy director of the Institute of Scientific Socialism and Party Theory of the Academy of Social Sciences of the Polish Social Democratic Party, Andrzej Makarczuk, Candidate of Philosophy, dealt with the deficiencies in these processes. He also pointed out the differences in the effects of the technological revolution in different social circumstances: whereas under capitalism the fruits of the technological revolution serve a certain limited class or stratum, under socialism they are introduced into social progress, into formulating socialist societal relationships. Comrade Andrzej Makarczuk pointed out that a socialist society must not lose control of the technological revolution and its economic, ecological, and moral consequences, and must support its humanizing influence.

Another Polish delegate, scientific worker of the Institute of Philosophy of the Academy of Social Sciences of the Polish Social Democratic Party, Miroslaw Karwat, concentrated his attention on the conditions and features of increasing the effectiveness of party work as a component of the restructuring. The importance of changes in party work from the standpoint of the process of renewal in the Vietnamese society was also stressed in his speech by comrade Hoang Chi Bao, deputy director of the sector of scientific Communism of the Institute of Marxism-Leninism of the Central Committee of the Vietnamese Communist Party. He spoke about the effectiveness of the party's organizational, educational, and propagandistic work and control. He emphasized that at each historical turning point the Party proves its avant-garde role by its readiness to renew itself. The renewal also means a struggle against bureaucratism, against management by command, against erosion of the principles of democratic centralism and social justice, it means the democratization of party life, strengthening of the spirit of self-criticism and criticism, particularly criticism from below.

When speaking about party work, science consultant of the Institute of Social Sciences of the Central Committee of the Hungarian Social Democratic Party, Dr Marton Szabo, observed that the ideological unity of the Party cannot be understood in the old way. In this process development of Marxism plays the integrating role. At the same time it is necessary to renew also its task to criticize.

Most of the presentations were followed by an immediate reaction by the other participants and a rich debate. The question of pluralism commanded the most attention. Petr Petrovich Lopata, director of the Scientific Communism Section of the Marxism-Leninism Institute of the CPSU Central Committee, pointed out that in the Soviet Union there are different attitudes toward pluralism: some consider it to be an instrument for restoring society to health, others an instrument for weakening it. Deputy director of the Marxist-Leninist Institute of the CPCZ Central Committee, corresponding member of the Czechoslovak Academy of Sciences, Ivan Krempa, posed the question as to where are guarantees that pluralism will not be transformed into a phenomenon which we do not want. According to S. Zivanovic, the guarantee is in the strength of the Communist Party. Hana Hornova, of the Advanced School of Politics of the CPCZ Central Committee, mentioned the unfortunate experiences with a certain concept of pluralism in Czechoslovakia in 1968. P. Lopata mentioned the organization Pamyat as one of those which are misusing the process of restructuring. J. Vittenberg spoke about exercising pluralism of opinion and interests through social organizations, the trade unions in particular. M. Karwat expressed the opinion that pluralism is a historical necessity, and in that connection he spoke about the long-time orientation of the current Polish leadership toward pluralism.

The second question which elicited a lively debate concerned the different ways of arriving at socialism. V.

Boev, Jaques Legrand of the Institute of Marxist Research of the French Communist Party, and others were of the opinion that socialism in all socialist countries is now in the beginning stage of global development. P. Lopata appealed for a return to Lenin's concept of socialism. Corresponding member of the Czechoslovak Academy of Sciences, Ladislav Hrzal of the Marxism-Leninism Institute of the CPCZ Central Committee, supported the argument about the necessity to elaborate the concept of socialism. In this connection he underlined that the ideal of socialism flowing from Marxism is still valid. Discussion on this point resulted in the conclusion that the classics' legacy must be developed according to the conditions in each country and the experiences of various groups of the international communist and workers' movement.

Czechoslovak Historians Call for New Approaches
24000134d Prague NOVA MYSL in Czech
No 4, 1989 pp 122-127

[Article by Miroslava Kebortova: "From the Discussions of Czechoslovak Historians"]

[Text] Between 9-11 February of this year, the 6th Congress of Czechoslovak Historians took place in Prague. More than 500 delegates from scientific and educational institutions, including specialists from archives, museums, galleries and other workplaces dealing with historic subject matter, and teachers of history at high schools and elementary schools, met in order to evaluate the results of their research, educational and political work, and to analyze the key problems of historiography and determine the future tasks of historical sciences. Also present were historians from the German Democratic Republic, the Soviet Union, Hungary, Yugoslavia, and Poland. The central theme of the Congress was the role of historical sciences during the current stage of development of the socialist society. The introductory speeches already emphasized that Czechoslovakia joined the great historic effort of the socialist community to build a human society without wars, based on understanding and cooperation, a society deeply democratic and humanistic. And an integral part of this effort is the revolutionary movement for new thinking, for the creation of conditions for further progressive development of socialism. In this a great amount of responsibility rests on the social sciences, which must, on the basis of a thorough and truthful analysis of the past development of socialism, help in setting realistic goals and in searching for correct methods and approaches for attaining them. History in particular has a unique role in this respect. It is called on to answer the question why humanity chose in the past this particular road and not another one, and to indicate possible alternatives for further development.

It must be emphasized that the entire proceedings were totally informal, and had a truly creative atmosphere. The content of the main report and the course of the discussion which followed in the three principal and

eight special sections, as well as the closing documents testify to the singularly predominant honest effort of the delegates to return history to the position which it rightly and necessarily deserves as a science and an educational discipline. And there was plenty to think about.

The opening statement already brought a number of stimulating ideas. They stressed that if history is to fulfill the tasks which the present times place before it, it must first of all overcome the crisis which is becoming evident in its theory and methodology. It must find those philosophical-historical approaches which would enable it to shed light, on the basis of a profound and comprehensive assimilation of the thoughts and concepts of the founders of Marxism-Leninism, the important questions and key moments of our own as well as world history. To return to historiography the ability to influence in full measure the forming of historical consciousness of a society, and to do so by consistently linking the national specifics with global developments, the problems and needs of our society with the global problems of humanity.

It could appear at first glance that the efforts of Czechoslovak historians thus far have not been very successful, that there is nothing to praise. The very opposite is true. The main report also referred to that, pointing out the significant results of past research work as well as the number of titles which enriched our modern historiography and contributed to the further development of historical scholarship. It is understandable, however, that the delegates gave a lot of thought particularly to what are the most burning questions for them and for our society. For that reason they also did not spend too much time taking stock of their successes, but dealt mostly with the weaknesses and shortcomings in their current work. The entire course of the proceedings attests to the fact that the historians took their congress as an opportunity to analyze those weaknesses and mistakes and search for ways to eliminate them, so that our historiography can fulfill in every way the task which society expects from it. Because, as it is becoming apparent, the needs of the present day are growing faster than the basic research and possibilities of historical sciences.

The fact remains, as the main report observed, that our historiography, notwithstanding the successes which it achieved, was not spared descriptiveness and opportunism, and often acted as an apologist of the given instead of being a source of inspiration for man on how to change that given and search for new ways for the future. Although since the beginning of the seventies conditions for a resurgence of Czechoslovak historiography have been improving, the effort encountered many barriers and phenomena which held it back. The efforts to work out the necessary syntheses did not receive sufficient cooperation from historians and workers in other branches of the social sciences. A modernization of the scientific information system responsive to needs was not carried out. A serious deficiency was the inaccessibility of foreign literature, books removed from libraries,

and the considerable number of research material in state libraries made inaccessible by lack of space for proper placement. Publication of retrospective bibliographies lagged, publication of source material on recent and most recent history was neglected. Moreover, the compilation of the most recent history has been fettered to a considerable degree by pragmatic propagandism, inaccessibility of source material, as well as by the fact that many historic personalities of those times are still alive. The one-sided emphasis which was given to the role of the masses in history pushed the role of historic figures into the background. History was being depopulated. Attention was given overwhelmingly to those revolutionary processes and directions which scored a victory in society, and much less to opposing trends. The principles of ethics in historical work were not always observed, particularly the responsibility for historical truth of the proximate era. The treatment of key epochs in our history was associated with frequent simplifications.

As far as the subject matter itself is concerned, the history of the workers' movement, which must be henceforth understood as part of national and world history, was not given attention commensurate with the needs of the times. Our historiography also owes a large debt to the history of socialism; all historical sciences necessarily will have to join in its research and exposition. With respect to the study of the development of capitalism, in the future historiography will have to follow mainly models based on new concepts of the development of society. The history of contemporary historiography is awaiting a comprehensive treatment. But it must not become a mere listing of authors and their works, but a truly truthful testimony about the evolution of our own and world historical thinking in a universal context. The accelerating technological progress brings acceleration of social development, which changes the relationship past-present-future. In connection with that, the law of leaps and continuity, the factor of acceleration and processes of accumulation are also waiting for an in-depth study from the standpoint of historical developments. The historical sciences still are not giving attention to the relationships of man-nature, man-instrument, machinery, robot, and man-man, either. The area of values and conflicts of values that arise in it have also been neglected.

We must be self-critical and admit that under the conditions of the accelerating rate and needs of technological advances we did not provide adequate room and standards for the teaching of history, particularly in elementary schools, high schools, and vocational schools. The teaching of history in schools is still subject to a certain schematization. Historiography does not provide teachers with sufficient scientific support, which results in weak argumentation when explaining historical phenomena. Heretofore teaching of history in schools has not captured the importance of history for society. The demands on students are being constantly lowered. The persisting deficiencies thus lead to a more narrow

knowledge on the part of applicants for study in institutions of higher learning and overall to a serious decline of historical consciousness of the young generation. This fact is alarming not only to historians. Education and upbringing must continue to be of overriding importance. Therefore it will be necessary to again combine pedagogy with scientific work in institutions of higher learning, and thus give appropriate attention to the education of the new generation. Higher standards will have to be demanded in the preparation and qualification of teachers, in the level of the educational process.

Historians must understand the current social development and realize what the place of historiography in it is. As the main report stated, "history cannot be an adjunct means of keeping records, or perhaps supplement previously accepted theses... It is an autonomous component of science which is able to contribute to the orientation of humanity, the state, or the individual." It is beyond dispute that it is increasingly becoming a science which sheds light on the present and a science for the future. Historical knowledge should remain open, in order to inspire the development of man's thinking. Czechoslovak historiography must have these requirements as a starting point when setting new tasks, in contemplating appropriate methods and approaches to research and treatment of historical subjects and problems. There should be more room for creative discussions. Also, our participation in the field of international cooperation should be more frequent and multifaceted in the future.

The planning of scholarly work in the future should be more mindful of interdisciplinary possibilities in historical research. Planned research should be carried out with the coordinated efforts of institutes and institutions including universities. To attain specific goals it will be necessary to look for new, flexible forms of work based on joint work teams. The increasing interest of the public in history should be reflected in an effort to provide a good quality interpretation of the results of historical research, based on close cooperation between historians and workers in the areas of education, information, and art. Obviously, to combine results of scholarly research with popular interpretation is possible only if principles of objectivity and truthfulness are observed. The selection and popular adaptation of historical subjects must be approached with far more critical standards. Czechoslovak historiography must be perfectly clear about its cognitive, connotative, and ideological role.

It can be said that all the stimulating ideas were reflected in the work of the sections and were also reflected in the closing resolution of the congress. I have therefore selected from the rest of the proceedings those papers which offered more ideas to think about.

During the course of the discussion in the section on the history of socialism and the associated section on the most recent Czechoslovak history it became clear that we

should approach future build-up only with a full awareness of the quality of historical continuity and discontinuity. The role of historiography does not rest in teaching history, but in mastering and understanding historical processes. In this respect the importance of studying history from the time of our liberation is vital for our future development. A serious problem appears to be the fact that in judging historical phenomena we have become accustomed to look for the scale of values which has been implanted in them, and from that standpoint see them unscientifically as either bad or good. We can no longer ask such questions as—was this resolution or this method correct. We must formulate questions such as—why was this or that alternative not realized, where did it lead, how were certain decisions arrived at and why? And not evaluate history by quantitative criteria taken out of context.

Similarly, we must evaluate historical figures objectively, return them to history. That is necessary also from the point of view of teaching history and educating through history. The young generation does not have personal experiences and cannot read anywhere about, say, personalities from the fifties. We must breathe new life into history after the year 1948, make it appealing again, make it accessible to ordinary people. In that connection, there were several requests for the publication of a popular historical journal.

In the history of socialism, we also need to look at the unrealized concepts as the alternatives of development. The opinion was expressed that one of the principal questions is the question of historical truth. In that respect, we should publish only such positions and findings which we have substantiated by serious heuristic, otherwise we shall not avoid making hasty conclusions and new legends. We also need to think about whether our historiography has at its disposal adequate terminology.

We need to give attention to the conditions of building socialism in other socialist countries, study differences which thus far have not been taken into consideration. It is also necessary to keep in mind that even restructuring in individual countries of the socialist community is proceeding at different levels and using different methods. In this connection there are two extreme views as far as historiography is concerned. One insists that everything past must be rejected, the other that there is nothing to be changed. History must be approached solidly on the basis of Marxist methodology and with consistent application of Marxist criticism and class approach. The opinion was also expressed that developments in the world are much more complicated and varied than we assumed, socialist countries included.

As the discussion showed, there are many problems to which the historiography of socialism should speak. To shed light on them, new, appropriate forms of creative and international discussion should be sought. Many of those taking part in the discussion dealt with individual

problems of the history of socialist construction in Czechoslovakia, particularly in the fifties and sixties. Among other things, the opinion was expressed that in the current presentation the history of socialism is grey, more than is the case in other periods, and that in its exposition in the past there was evident a mania to treat it in stages, and the specific content, which life brought, escaped.

In connection with the restructuring there were demands to make it clear what the policy of restructuring expects from us, historians. A considerable restraint persists, we are not making use of the possibilities which we have. We should grasp the opportunity which restructuring affords us to understand more deeply the continuity and discontinuity of development, to make clear the true face and substance of the construction of socialism in Czechoslovakia.

The discussion pointed out among other things the lately very often mentioned need to bring the writing of reviews to a higher level, which should be more consistent, more critical, and free of propaganda. Participants called for more frequent opportunities for the exchange of views, whether in the form of panel discussions or roundtables. A similar request was heard also in the other sections.

The section on the history of capitalism asked primarily for a framework demarcation of the era of capitalism in Czechoslovakia, and a time demarcation of imperialism under the Austro-Hungarian conditions. Its participants gave considerable attention to the history of the workers' movement, which has to be understood as a broad spectrum of workers' parties and organizations with considerable national differentiation. The history of the workers' movement in our lands must be taken in conjunction with the history of the international workers' and communist movement. We should no longer cling to the concept of world history as an adornment of Czechoslovak history.

A demand was voiced in connection with the history of Czechoslovakia between 1918-39 to have new works based on new study of sources and not on published material.

There were also discussions, among other things, about the formation of relations between Czechs and Slovaks at the beginning stage of the Czechoslovak state. This occasion also produced the opinion that today there is too much emphasis given to the national emancipation aspect of societal movement and little attention is given to the social and revolutionary aspects in the formation of relations between the Czechs and the Slovaks.

Much time was taken up by a discussion of the questions of legal education, the problems of the creation and application of legal norms, and the influence of law on the political system and vice versa.

Also very interesting was the contemplation of the state of Czechoslovak historiography from the generational point of view. The discussion resulted in a call to the older generation of historians to do their own criticism of their work to date and not be afraid to openly point out the mistaken opinions which they presented in the past. In surpassing them by new results of their own research, according to the participants in the discussion, lies the generational focus of restructuring our historiography. It must be mentioned that the requirement of criticizing one's own work appeared also in some other sections.

In the section on recent and most recent world history, the participants also stressed the unity of the historical process—its revolutionary continuity. Individual pronouncements in the discussion then pointed out the research problems in some specific areas of world history, such as, for example, the problems of the American Revolution in the 18th century, Germany in the revolutionary year 1848, and the separate development of both German states after 1949.

Similarly as in the sections on other areas of history, here, too, the need for the preparation and publication of synthesizing works was emphasized. This gave occasion to a lively debate in the section about the unfinished state of the research of the history of individual countries or regions, particularly about the state of studies of the history of the USSR, the Balkan countries, etc. An interesting addendum was the information by the representative of the Institute of General History of the USSR Academy of Sciences about the current state of historical research in the Soviet Union. The course of the discussion made clear that participants of this section were also disturbed by the current quality of the teaching of history in schools of all levels, as well as shortcomings in the education of future scientific workers in the area of world history, particularly as regards their language training. They also pointed out the shortage of essential foreign literature and the complicated questions of our publishing policy.

Discussions in the other sections, too, were nontraditional, spirited, and inspirational. The fact that the discussions often went beyond their designated time limit also attested to that. It is obviously not possible to give the same amount of attention to all 11 sections, but all the most important ideas and conclusions of their proceedings are contained in the resolution of the congress, which I am presenting here in a condensed form.

On the whole it can be said that the discussions in the sections as well as in the plenum on the closing day were marked by openness and critical attitude. Although there were also some controversial views, it was obvious that the participants in the congress were united by an honest and sincere effort to remove the mistakes of the past, raise the level and prestige of Czechoslovak historiography, and devote their energy to developing the restructuring of our society. That was also reflected in the

attitude of the delegates to the letter by a group of about 70 people, among them adherents of illegal groups and organizations, which was delivered to the presidium of the congress just before its opening. The delegates had the opportunity to familiarize themselves with the content of the letter during the course of the session. It did not contribute constructively to the proceedings of the congress, and inasmuch as it expressed some specific demands, they were already contained in the main report itself. For that reason, the delegates did not consider it necessary to give particular attention to its contents, although they had the opportunity to do so.

The closing session was enlivened by statements of foreign guests, who gave information about the state of historiography in their countries and about the main problems which they are currently solving.

The resolution of the 6th Congress of Czechoslovak Historians, the draft of which was modified and supplemented after discussion in the plenum, then formulated the following conclusions and tasks, which I am presenting here in abbreviated form. (The full version was published in RUDE PRAVO on 6 March 1989.)

- We are convinced that a thorough knowledge of history is a prerequisite for a correct orientation in solving contemporary social problems and in setting goals for the future. We want to follow up the positive results of our Marxist-Leninist historiography and enrich it with more new findings. Its current deficiencies need to be remedied by systematic research. Czech and Slovak historians and historians of other nationalities living in Czechoslovakia consider the realization of restructuring in the area of their work an important part of the restructuring of the entire society.
- In our work we espouse Marxism-Leninism, which is for us the methodological basis of work and its thus far not fully utilized philosophical-historical system. In that connection we shall continue to develop theory and methodology, oppose schematism, opportunism, and stereotypes in historical research. Our aim is to apply such forms of work which truthfully shape the past and thus are able to effectively influence man's mind and sensibility, contribute to the deepening of patriotism and at the same time strengthen cooperation with the socialist, democratic, and progressive forces of all nations.
- The congress of historians calls on scientists and specialists to deal with professionally and socially important subjects, including those which thus far have not received adequate treatment or which have been totally avoided. That requires not only a highly responsible approach by the historian, but also an improvement in the conditions for using archives and for access to other sources of information.
- Our main task is to ensure the effectiveness of basic scholarly research, and that it keeps abreast of the needs of societal practice. An effort must also be made to shorten the time between the start of research and its publication.
- We are also concerned about improving the quality of work in the area of regional history. We shall develop scholarly discussions in journals and other forums. We shall demand more critical attitudes in reviews. In order to ensure the continuity of scholarly work and a continuous change of cadres, we shall persevere in doing our share to search out and educate young scientific talents.
- It is necessary to develop the existing positive experiences, apply all effective forms of cooperation between Czech and Slovak historians, and search for new ways to deepen it as well.
- The congress of historians feels its share of the responsibility of our historiography for the state and quality of the teaching of history in schools. We want to share in the preparation of instruction books, the drafting of educational plans, as well as in specific educational work. We turn to school agencies to enforce higher standards and give more importance and more time to the teaching of history in schools of all levels.
- The Czechoslovak historical community emphasizes the social importance of popularizing scientific work. For the needs of a systematic and effective popularization of scientific knowledge it deems it necessary to publish a popular historical journal.
- It is necessary to make a greater effort to use efficiently cooperation with other social science disciplines, it is necessary to use to the maximum degree the coordination of work within the framework of historical sciences. With respect to the irreplaceable values preserved in archives, the congress turns to the appropriate agencies with the recommendation to improve the material and other conditions of the Czechoslovak archival system. The congress also supports the creation of conditions for a further all-around development of ancillary historical sciences.
- In order to make scholarly research more efficient, it is necessary to give greater attention and care to the revitalization of editorial activity, which is inadequate particularly in the sphere of recent and most recent history, and is moreover greatly fragmented. For the purpose of a more rational use of means and forces, it will be necessary to push for concentrated research in foreign archives related to Czechoslovak history, for crucial records and assembling of materials obtained in the course of that research.

—We shall develop the traditional close cooperation with Soviet historical science, we shall engage in a useful dialogue with non-Marxist historiography. In order to fulfill that task we shall support the organizing of open discussions on the principal questions of historical science.

—The congress recommends to the scientific collegium of history of the Czechoslovak Academy of Science, all historical scholarly societies and historical workplaces to pursue the suggestions that came out of the resolution of the congress as well as from the conclusions of its sections, and to adopt special measures for that purpose.

—The participants in the congress fully understand the urgency of global problems in the world. We therefore support the peaceful initiatives of the Soviet Union and its efforts in the area of international politics as well as the Czechoslovak initiative to create a zone of trust in Central Europe. It is our desire to have our attitude judged as a socially aware voice of historians in support of the noblest ideas of our present times.

At the conclusion of the proceedings a letter was sent to the delegates of the CPCZ Central Committee, in which they assured the representatives of the party of their resolve to commit their creative forces to the fulfillment of the demanding tasks and goals of the present.

Party Official Concerned With Party Morale
24000118a Prague RUDE PRAVO in Czech
24 Mar 89 p 3

[Interview with Chairman of CPCZ Control and Audit Commission Jaroslav Hajn by Zdenek Horeni: "Support Those Who Care for Socialism"; date and place not given; first paragraph is RUDE PRAVO introduction]

[Text] In line with the CPCZ statutes the CPCZ Central Control and Audit Commission carried out an inquiry to find how Communists exert themselves for a consistent application of the party's economic policy, together with control and audit commissions at all levels of the party structure it examined the situation in hundreds of party base organizations and factorywide committees throughout the country. What was the content of the inquiry? What conclusions can be drawn from it? For an answer to these and other questions we called on Comrade Jaroslav Hajn, chairman of the CPCZ Central Control and Audit Commission.

[RUDE PRAVO] How does the inquiry portray the quality of the work of Communists and the party, how is it reflected in efforts to implement the programmatic goals set by the CPCZ 17th Congress?

[Hajn] Viewed realistically, Communists and their organizations are working under conditions more difficult than, say, two or three years ago. This requires of party members more new ideas and approaches to problem

solution, more personal courage, more initiative, profound knowledge and better ways to put it to use, and also assumption of rational risks.

I believe I am expressing the view of members and the aktiv of functionaries when I say that Communists, the party, and also our partners and allies from the National Front have passed the test of the time.

[RUDE PRAVO] In a complicated situation it is always more difficult to see things clearly and in a broader political context, not to succumb to uncertainty and impatience. Are our members ready to face such tests?

[Hajn] Life, to use a sports expression, is a runner with long steps on a long track, and thus far we are just at the start of the road to a radical increase in the effectiveness of our economy. On this road there have been and there will always be problems. Next to good and outstanding people there are and will be also indifferent, dishonest, lazy ones. Along with successes we have to reckon also with failures which understandably will occur.

The inquiry carried out by the Central Control and Audit Commission's members and staff has confirmed that the party is very involved with restructuring and that it is determined to translate it into practice. But we are well aware that only time and work offer a reliable test of a person's qualities.

Both the Central Committee and the Central Control and Audit Commission of the party hold the view that it is precisely during a period of changes which naturally give rise to most diverse difficulties when it is necessary to mobilize the strengths and capabilities of all people.

We can sweep away our problems only by joining our forces, by joint purposeful, self-sacrificing and high-quality work.

From this angle we view also the passivity—or rather, indolence—of some party members. Insofar as the inquiry measured the activity of Communists by attendance at membership meetings or by payment of dues, it was, so to speak, making both sides happy. But when we delved into the substance and checked out who personally does what for realizing the party's policy, by what means and in what extent he wins over fellow-workers and fellow-citizens to support our common goals, or how he publicly defends and presses the party's policy, we found differences, sometimes quite substantial. There are Communists who are highly active and others who are indolent and passive.

[RUDE PRAVO] What in your opinion causes such a state of affairs?

[Hajn] We have found that the fault lies not always and solely with the party member or candidate. Some share is often attributable to our base organizations and perhaps

even okres committees. What we need is that indifference and passivity of individuals is met promptly with timely action: both vis-a-vis the membership base and the party organs and organizations.

Some comrades' ardor has somewhat cooled even in regard to restructuring of the economic mechanism. This is apparently because as party members they get mostly problems out of it. I think that a part, and by no means a small one, of our aktiv of functionaries in the base organizations live in a certain state of self-satisfaction—a feeling that somehow everything within their bailiwick is in perfect order and that if there are some difficulties they will somehow resolve themselves in time. This is wrong.

[RUDE PRAVO] One can justly claim that further development is inconceivable without a large measure of personal courage on the part of Communists. Does personal courage belong among a party member's qualities?

[Hajn] It does. In fact, we can't do without it. I would even say that we should begin changes in the style and methods of the work of party organizations precisely by unfolding this personal courage and thus the self-reliance, activism and assertiveness on the part of the base organizations and all their members and candidates.

The results of the inquiry confirm that the party as the leading force of society must itself be free of the shortcomings it combats in society. It cannot tolerate for instance a contrast between words and deeds, between what is proclaimed and what is done and how. The statutes bind every Communist to stand behind the party's policy, to oppose erroneous views from the position of the party's ideology. It is a Communist's duty to demonstrate by his entire conduct what the party is striving for, what it regards as right and what it opposes. I say that a Communist can be convincing only when he is able, unequivocally without maneuvering and unnecessary compromises, to express openly and correctly his own position on the subjects under discussion.

[RUDE PRAVO] And what about the passive party members?

[Hajn] There shouldn't be any passive members in the party. There should not be Communists who fail to identify with the policy of their party and who do not display sufficient initiative to see it realized.

By the way, the CPCZ CC Presidium's Proclamation on the 41st anniversary of February offers guidance to all our base organizations, all members and candidate members of our party as well as non-Communist adherents of socialism on how to cope with the tasks put before us by the present period. It assumes not merely consent but above all concrete deeds.

[RUDE PRAVO] The party is approaching many things in a new way. Thus we see for instance a clearer delineation of responsibilities between party organizations and the economic management of enterprises. What has the inquiry indicated in this regard?

[Hajn] The construction of socialism is a long-term process characterized among other things by commodity production. And where goods are produced there must of necessity be people, money, prices, wages and also a market. Our new management model activates all these elements. It emphasizes the human being, his initiative and personal responsibility above all.

This of course applies to the management sphere as well. We want and we must produce with better quality and effectiveness. We want this process to emphasize the authority, competence and responsibility of the economic management, its share in the results, good or bad. Hence we warn the party organizations against petty interference with production and its management. We do not want them to be directly involved with matters belonging to the sphere of responsibility of the director, his deputies, foremen, technical staff. Matters of everyday production routine are of course not of a political nature. But all the same I must also emphasize that the production process therefore does not include any democracy in the sense that everyone can do in it what he feels like.

On the contrary. The greater the respect for good work organization, for technical equipment and technology with their potential, the better overall result can be achieved.

[RUDE PRAVO] How then should a base organization safeguard the party's economic policy?

[Hajn] The party organization must exert influence primarily on the social aspect of the productive forces' development. It must have an impact especially on the relations into which people get mutually involved in production. It must harmonize the interests of the work collective with the strategic needs of society. In the new conditions it should also shape more actively the individual's consciousness and his attitudes. All the while it should not abandon critiquing specific measures and be prepared to accept self-critically its share of responsibility for what's not working out well.

Of course we remain supporters of a serious argument, discussion, effort to convince. Up to the point when the majority adopts a common stand. This then is binding on each Communist. In this way we want also to achieve action unity in party work.

But there can be no debate about whether or not a party organization is necessary in a factory; this is something we don't intend to discuss with anyone. The fundamental issue is that it works well, fulfill its mission of the work collective's political organizer, of an ideological

factor capable of uniting both Communists and non-Communists in a positive program and leading them politically so as to result in profitable, quality production.

Thus the party organization is charged with political responsibility for production. Where circumstances of whatever kind compel it to interfere directly with production management—and there are such instances—it is as a rule a situation where the economic management isn't up to the required level either. I believe that in each case of this kind it is necessary to examine the situation in greater detail and seek a solution to it.

[RUDE PRAVO] That means verifying together with the higher economic organs whether the plant or enterprise management is on the required level?

[Hajn] Certainly. The inquiry's finding is that some economic managers like to shift the blame for their own incompetence to the party organization. Such an argument is unacceptable to us. The substantive responsibility for production and its progress rests solely on the economic management, specifically on the director. It is he who holds the corresponding legal, organizational and other powers, as well as the political instruments enabling him to ensure fulfillment of the tasks stemming from his function. If he does not fulfill them he is called to account.

[RUDE PRAVO] But there is sometimes a downright conspicuous identity of views between the director and the base organization. Is that good or bad?

[Hajn] The question is of what kind of identical views. When the plant or enterprise is not meeting its targets it probably signals something that is not good. But we would be making a mistake to view an accord between the economic management and the party organization immediately as something suspect.

Some people conclude that it is either the party organization's chairman who has the director "in the palm of his hand," or the other way around. It may be so where weak individuals at the head of the enterprise hierarchy turn out poor results. But I myself have found many times that where there is a good political and economic leadership moreover under public control—there you have results, confidence, contentment.

There is logic in this. Every director denying himself the support of his close collaborators would have to be a darn fool. A creative relationship of course is not and cannot be always without little clouds and discussions, sometimes even stormy ones. Where there is progress there are and of necessity always will also be contentions.

[RUDE PRAVO] In September begin the annual membership meetings. May 1990 is the time of the 18th CPCZ Congress. Have the organizers of the inquiry viewed from this angle also the level of cadre work, especially with young promising people?

[Hajn] We do this in every inquiry. In fact, during controls we evaluate the people's work in the first place. Today it's really not an easy time for managers. They do not sit in chairs unreachable by criticism. Each action of theirs, each decision is the subject of justified public interest and also criticism, sometimes even less than just. They operate under a broad public control and it is right so because a manager should never be absent from the front line.

Managers have great responsibility. But we find an interesting situation in that some graduates of secondary trade schools and even universities do not want to assume managerial functions. A few refuse outright to assume the management of work collectives, and justify their disinterest in being included among the cadre reserves by the high demands placed on people exercising these functions. In this situation the party organizations and organs err when they fail to develop the necessary activity in creating cadre reserves and merely register the proposals put before them.

The inquiry has shown that the demand for capable people in management positions is not being met always and everywhere. Yet our society is providing wide opportunities for all who have got it to excel, to bring their qualities to bear also in the management field. Age alone should not be the first factor in considering a cadre proposal. Some people's thinking and actions make them oldsters already at forty, while others at thirty match an experienced 50-year-old. It still is true that younger people for the most part display more drive in their position. They also have a lot of theoretical knowledge and courage to use it. But let me make clear that society does not propose a turnover in position so that an older person can be replaced by one who, albeit younger, is nevertheless not as capable.

The restructuring process simply needs talent, managers well equipped politically, professionally and by character, deeply devoted to socialism.

[RUDE PRAVO] So it can be said that by well thought out and principled cadre work the base organizations and party organs can really have a significant influence on the further direction of our economy. What do the inquiry's findings say on that?

[Hajn] I would say that together with asserting the right of control this is one of the most effective means of ensuring the party's economic and social policy.

Seeking out candidates for functions, nominating and electing them, the support given them and if necessary also the protection of capable cadres must now become a

foremost task of all party organs and organizations. Nor do we make a secret of the fact that vigorous comradely criticism serves the manager's political health better than empty flattery.

In any event the party is the ally of each capable manager, knowing how to appreciate honest work and order as well as demanding it. In this connection I should like to underscore the importance the CPCZ CC attaches to the training of managers. It is no accident that the agenda of its next session will include problems of education. A good educational system is the foundation of every cadre policy.

[RUDE PRAVO] The CPCZ Central Control and Audit Commission has also evaluated the initial experience from party building and effectiveness of party work in the newly established state enterprises. How satisfied are you with the results of that inquiry?

[Hajn] It's really only an initial experience. That is how we understand it and thus we cannot claim to have a comprehensive evaluation of the entire problem area connected with it. In addition to the present factorywide and enterprise committees there are party committees being set up in the newly established state enterprises. Their work assignment was fixed by the CPCZ CC Secretariat.

It is a new link in the party structure occasioned by the organizational restructuring of the production-technical, R&D and circulation base. In accordance with the statute and the new demands required of the party's leading role the party committee creates the necessary conditions for the activity of party organizations which are frequently located in several okreses or kraje.

We have found that party committees were elected properly at party membership meetings or conferences. But we have noted that they are rather diverse in their numerical and social composition.

Thus for instance in the Sigma Olomouc the party committee which coordinates the activities of 12 factorywide committees and 98 base organizations with 4,380 members, consists of 21 members of whom more than one half are workers. The party committee in the Karlovy Vary Porcelain State Enterprise which coordinates the activities of 703 CPCZ members and candidates, consists of 25 members of whom only three are workers.

[RUDE PRAVO] And what about the structure of the party organs and their mission?

[Hajn] Those elected to the party committees were for the most part chairmen of factorywide or base organization CPCZ committees, the reason being to assure proceeding in unity. There is nothing wrong in this. On the other hand, it may and sometimes does lead to a certain

accumulation of functions. The party committees proceed correctly when they seek to have a base or section party organization, or a party group, working on each level of an independent khozrazchet unit within the state enterprise.

Our findings are that in some cases the party committees are still only "searching" for their place in the party structure. They do not have as yet a clear picture of their powers, or of the forms and methods of their political engagement within the enterprise. This is something that life and time will fine-tune.

[RUDE PRAVO] How have the founders of the state enterprises discharge their duties in this regard?

[Hajn] The way in which the state enterprise's founders, for the most part the ministries, have proceeded bordered in many cases on the careless. Not only did the founders in some cases fail to submit more than one proposal for electing the director, but the majority of enterprises failed also to make use of the contest procedure.

On the whole, however, the elections of self-management organs of the work collectives as well as of state enterprise directors were conducted in a serious and democratic fashion, under the influence of party organizations and organs. Communists and other working people approached them with a sense of great political responsibility.

I am convinced that this will show up in a higher quality of target fulfillment as anticipated by the party policy and the law on state enterprise.

[RUDE PRAVO] The strength of the party's current policy—something that emerges from the inquiry also as a lesson—lies among other things in the fact that we do not embellish reality. We are not painting anything in rosy color. Neither can we on the other hand agree with painting socialism only in black.

[Hajn] I agree. As of 1 Jan 89 our party had over 1.7 million members in its ranks. Every seventh citizen of our Republic over the age of 18 thus is a Communist. We have moreover strong partners and allies. In the revolutionary trade unions alone there are nearly eight million and 1,475,000 members are engaged in the Socialist Youth Union. Additional hundreds of thousands work selflessly in the organizations and political parties of the National Front. A firm support of the system of state power lies in the nearly 200,000 deputies of representative bodies, 240,000 members of National Committee commissions and 212,000 members of citizen committees.

All of them join in the building of a socialist society, even though they may be critical of some details. Also, these people have accomplished a great deal. They are the architects of the working people's February Victory

in 1948. They remember the total economic blockade. They have also overcome numerous other discriminatory political measures that the West employed against us. I could go on enumerating these facts. I do not claim that it was not possible to do more. I don't think that our work is without blemishes or shortcomings. Yet the results of the hard and selfless work accomplished by honest citizens are, to say the least, admirable and deserving of recognition.

But Communists, every citizen who has honestly put his shoulder to the wheel and today continues to give society the maximum of his strength, such people will be hard to convince by anyone that what they did in the past was all slipshod, or even that all that was done is bad. We are not going to spit on our work, on our life!

[RUDE PRAVO] An important task of the day is conducting a dialogue with people who come up with different views. With all of them?

[Hajn] We want to work honestly and carry on a dialogue with everyone who cares for socialism, who recognizes its institutional order and shares in its progress by conscientious work. In our society every citizen, regardless of party affiliation or world view, has his place, a firm social and political standing. Except for party functions he can occupy any position. But no one can count on us that we will treat as allies those who are striving for the destruction of socialism.

I should like to add that the inquiry confirmed our view according to which the people care a great deal about preservation of the achieved values. They are imbued with concern for peace, for the achievements of socialism. For this reason today too, together with preservation of socialism's defense capability and mobilization of inner reserves, the vital question remains the ideological struggle. Each of us must of course vigorously defend our principled stands, explain and assert them. An ideological slackness has no place in the ranks of Communists!

The citizens expect from Communists a factual and truthful answer to the questions which life poses every day. Therefore each party organization must adopt a working style the main characteristic of which is active political work with the people.

One thing must be clear. Our party will not stray off its path either in theory or in practice. It will remain patient in discussion and emphatic in its determination to lead the process of restructuring and democratization so that our society can respond dynamically to the changing external and internal conditions while fully preserving all that is permanent and of permanent value, and while renewing and reforming what has become obsolete, outlived, and what is necessary to change.

[RUDE PRAVO] Thanks for the interview.

20th Dubcek Ouster Anniversary Marked 24000132 Prague RUDE PRAVO in Czech 17 Apr 89 p 3

[Article by V. Gerloch, J. Kohout, and J. Kojzar: "Valuable Experiences"]

[Text] The meeting of the CPCZ CC [Communist Party of Czechoslovakia Central Committee] on April 17, 1969 marked a new stage in the struggle for the restoration of Marxism-Leninism in the party, for leading the Czechoslovak society out of the succession of crises caused by the post-January policies of the right-wing forces. At the meetings were created decisive prerequisites for the ultimate defeat of those forces, for the solution of internal party crisis and for the much needed consolidation in the party as well as in the entire society.

After August 1968, the Right changed its tactics. It could no longer be assumed that power could be seized by means of "peaceful revolution," that the continuous retreat of Dubcek and his collaborators will make it possible for its representatives to dominate the party and to elaborate its own "program" which would bring the country further and further away from socialism. For that reason, the Right forced the co-optation of a considerable number of new Central Committee members from the ranks of the delegates at the so-called Vysocany Congress who were expected to ensure that the Right retains its positions in the future.

Pressure Actions

Exerting frequent strong pressure became part of the new tactics. This was meant to disturb peace in the country and relations between the allies, to affect production, to stir up more emotions and possibly even to provoke direct confrontations which would further aggravate the so-called Czechoslovak problem.

Pressure was thus exerted against the November resolution, for the election of Federal Assembly President, followed by the Palach affair, etc. Particularly the LITERARNI NOVINY, REPORTER and other newspapers, as well as the Czechoslovak television and radio, already fully controlled by the Right at that time, were stirring up passions and urging to further actions; here against the alleged censorship, there against the arrival of the allied armies, then against the publishing of ZPRAVY or distribution of TRIBUNA—the journal of the Bureau Directing Party Activities in the Czech Lands—etc. All those who did not agree were put on the "list of traitors" and could expect that they themselves as well as their family members would be viciously attacked. Yet already at that time, thousands of communists as well as noncommunists started to associate and to stand up openly against the pressure of the Right. Sections of the Soviet-Czechoslovak Friendship Association were reactivated, "Tribuna" clubs, Left Front, Leninist Youth Federation as well as other organizations

were created. Thousands of people were sending letters to the Central Committee and to other party organizations expressing their longing for public peace.

However the party leadership of that period was unable to resist the rightist attacks. The First Secretary of the CPCZ CC A. Dubcek, just as he did prior to the August events, continued to yield to pressure and was promising everywhere to fulfill the November resolution; yet in reality he was actually sabotaging that fulfillment.

The economic situation as well was deteriorating. The set tasks were not fulfilled, people's initiative was wasted in useless discussions; prices and wages were increased according to the estimates of the enterprises, yet production did not correspond to the increased wages. Due to the atmosphere of constant pressure, a tendency to hazardous economic risk-taking started to appear in enterprise councils. The entire society was in crisis and the party was unable to propose any realistic solutions.

Decisive Moment

Such circumstances prevailed at the time of the April session of the CPCZ CC, where the comportment of the First Secretary Alexander Dubcek was severely criticized. As a result of such criticism, Dubcek asked to be relieved of his duties and the Gustav Husak, the First Secretary of the CPSL, was elected by secret ballot to be his successor. Even a considerable number of the right-oriented members of the CPCZ CC voted for this change; they no longer needed Alexander Dubcek in that function. The election outcome expressed the opinion of the majority; Alexander Dubcek was no longer able to lead the party and the society out of the critical situation. The session also approved the Proclamation of the CPCZ CC to the citizens of our republic, addressed to everybody truly concerned with its socialist future.

"The road we took last January has been approved and supported not only by our party, but by the entire society. An overwhelming majority of our citizens greeted and approved the Communist Party's initiative to criticize openly past mistakes and the effort to correct them," said the Proclamation. "Unfortunately, it was becoming obvious even then that to realize such intentions, good will did not suffice; hard struggle would be necessary to put them in practice." The Proclamation mentioned also various endeavors of the opposition to break up the socialist society, to diminish the action ability of the party and to provoke anti-Soviet and antisocialist passions. Even the activity and the leadership of the CC was subject to self-criticism because "it failed to use all the means at its disposal to set forth its decisions and to ensure thus the approved political line of the party."

In its Proclamation, the CC expressed its belief that the situation was henceforth unbearable. The Proclamation emphasized that in order to realize all goals promised to our nation at the beginning of 1968, the party must

translate such correct decisions into decisive deeds. The first prerequisite of improvement was to make particularly the party leadership capable of action, to increase its effectiveness and to reshuffle its forces according to the demands of the situation in the country.

Right from the start, the reaction to the April session and its reasoning had been positive. Society accepted its decisions with relief. RUDE PRAVO readers wrote to the editorial board that they had had enough discussions serving no purpose, discussions which had plunged the country several times into a deep crisis.

Realization Guidelines

It was necessary to elaborate with shortest delay a program acceptable to the public tired of the permanently precarious crisis situation. Such program was already after five weeks submitted to the May session of the CPCZ CC under the name of Realization Guidelines to the Party by the CPCZ CC on How to Proceed in the Immediate Future. Explaining the program, Comrade Husak clearly defined its principal goals:

1. To renew the unity of the party on the fundamentals of the Marxist-Leninist ideology, on leninist principles on the structure and life of our party.
2. To reestablish the leading role of our party in our society, especially in mass organizations and sections of the National Front, in state administration bodies and in economic and cultural sectors.
3. To create measures—or at least to prepare them—for the solution of present serious economic problems.
4. To strengthen the functioning of the socialist state as a powerful body of the working class and all other working people.
5. To find basic solutions for our relationship with the fraternal parties of the Soviet Union and other socialist countries from which we derive the principles of our country's foreign policy.

It was necessary to outline the goals as well as the ways and means to reach such goals. The Realization Guidelines issued by the May session have indeed fulfilled this task. They became the program of the party's proceedings in the forthcoming period. In 30 points, precise tasks were defined for the Communists as well as for all other citizens engaged for socialism. The time of useless, empty discussions definitely ended. It was necessary to apply all our forces, it was impossible to choose any other way. What the Right was offering meant destruction without any way out.

The program presented by the new leadership of the party was not only relevant to the activities of the party and its bodies but also to the National Front, to all state bodies and social organizations, to all strata of social and

national groups, to economic stabilization and international relations. Everybody interested in helping to fulfill the program was offered an opportunity to participate. Not everybody took advantage of this possibility. The rightist forces in the party and the society were not interested in the consolidation of social and economic life of the society. On the contrary, they intended to continue their policy of destruction and destabilization. Therefore, they refused to accept the Realization Guidelines as well as the proposed way out of the crisis. The majority of the people in the country, however, fully accepted the Guidelines and, as the results of the 14th CPCZ Congress made clear, its fulfillment could be evaluated as positive.

From Consolidation to Restructuring

The 14th Congress of the CPCZ—whose decisions were further developed by the 15th and 16th Congress—had a fundamental significance for further development of our party and our society. It elaborated the program of future expansion of socialism in our country, geared to satisfy all basic needs of the society, to provide uninterrupted growth of material and cultural standards of our people, to ensure their standard of life and to fortify and develop the socialist system. In the period following the 14th Congress we have achieved great economic and societal successes—in health care, education, social services, culture, arts and also in foreign policy. We have achieved such successes mainly thanks to the principled as well as flexible policy of our party, to its organizational and ideological work, to its ability to secure active support of the working people.

The successes of our people in many fields since the 14th CPCZ Congress are evident and cannot be contested. But there were also shortcomings and difficulties—particularly in the second half of the seventies—that were not approached in time and systematically, especially in the economic area. In his speech at the festive meeting to observe the 40th anniversary of Victorious February, Milos Jakes, Secretary General of the CPCZ, said: "Even that period had its characteristic features and a number of contradictory factors of both objective and subjective nature were then in evidence. We have not always mastered the established tasks as we had set them and as it was needed. Moreover, during the transition from the seventies to the eighties, the international situation deteriorated and significant changes occurred which were reflected in our national economy."

Granted that the objective necessity of a fundamental change in the orientation of the economy, of the transition from the extensive to the intensive development, was recognized in time—as evidenced by the decisions and documents from that period—conclusions were not drawn in practice from such perception or only partial and therefore ineffective measures were adopted. Thus the rhythm of the economic development was gradually slowing down due to unfavorable objective circumstances, but also as a result of low goals, inconsistency

and lack of flexibility. Difficulties started growing in the fulfillment of the plan, in relations between suppliers and consumers, on the internal market as well as in foreign trade. All that manifested itself to a larger or smaller extent even in other areas of social life, in the overall atmosphere of society.

Many of such problems were quite openly referred to, for instance, at the proceedings of the 16th CPCZ Congress. Unfortunately, even the correct resolution adopted there was not subsequently implemented and the same phenomena continued, sometimes even in aggravated form.

Parallel with these difficulties, there started in the early eighties the growth of speculative trends, egalitarianism spread with respect to wages and salaries, revenues were not based on production, false reports on plan fulfillment and a variety of frauds occurred. Though party organizations and offices were earnestly stressing these facts, consequences against the culprits were drawn but hesitantly, or not at all. That's why the CPCZ CC Presidium invited in February 1983 all party organizations and offices, state institutions and all honest communists and nonparty members to take a determined stand against all such manifestations, against thefts of objects in socialist ownership, against parasitism and corruption by its Letter on Increasing Effectiveness of the Struggle Against Socialist Legality, Morale and Discipline. The Letter contributed to the strengthening of socialist legality, of the economic and governmental discipline and of the morale of society. But in many instances its implementation advanced slowly and not always consistently.

During that period the Communist Party exerted great efforts to improve the management of the economy and of other sectors. It proceeded from the increasingly evident fact that extensive resources had been used up and demonstrated that our economy could advance farther only by reducing the relative consumption of raw materials, energy and labor. The CPCZ CC session of September 1985 demonstrated that we should be content neither with the speed nor with the scope of this most important task and that evidently a considerably greater effort must be made in order to merge the achievements of socialism with the scientific and technological revolution, to make significant improvements in managing and organizational work, to abolish more effectively manifestations of routine and inertia.

All this effort culminated finally in the conclusions of the 17th CPCZ Congress which worked out a strategy for accelerating social and economic development of society. The 17th Congress was taking place under the influence of the new thinking which was typical for the preparations, proceedings and results of the 27th Congress of the CPSU. We still find inspiration and universal guidance in the activity of the CPSU and in the life of the entire Soviet society, in the process of a complex

reconstruction of that society, democratization, public information of the search for and strengthening of Leninist principles in the life of the party, of the socialist state and of society as a whole.

Our Policy of Today

The policy line for the acceleration of the social and economic development, as it was set up by the 17th CPCZ Congress and developed in greater detail into a concrete program of a profound reconstruction of our society by the subsequent CPCZ CC sessions—particularly the 7th—pertains to society as a whole. Its nucleus is economic reform on which has to rest the realization of the transition toward a primarily intensive development of the economy. The Communist Party of Czechoslovakia does not narrow down the society's reconstruction to the economic sphere, to the implementation of the economic reform alone; it endeavors in practice to bring about its organic linkage with democratization, public information and openness of politics. The strengthening of independence, authority and responsibility in the sphere of enterprises is inseparably connected with the widening of the scope for the activity of National Committees, state offices and organizations of the National Front, with a broader participation of citizens in the administration of common affairs, with socialist pluralism of opinion.

In the past, party offices often substituted for government institutions in the solution of diverse matters for which they also often assumed responsibility. Indeed, they often viewed that task as their share in applying the leading role of the party. However, the point is that such an attitude—and we may still encounter it today—creates room for alibism and, by the same token, deprives the party offices of time necessary for their own political work, for political leadership. This approach also fully applies to the position of the party agencies vis-a-vis the organizations and sectors of the National Front. A part of the resolution of the CPCZ CC 17th session pertains to the increase of their participation in the creation, control and implementation of policy and it is primarily up to the communists active in these organizations to put them into effect.

A new quality of socialist society can be reached only under the leadership of the Communist party which has been and still is the avant-garde of the socialist construction and thus also the moving force of restructuring. That is why, at a number of sessions of its Central Committee, the party evaluated its readiness and capability to play this role in the course of implementation of important changes on today's agenda. In the Presidium report to the CPCZ CC 9th session, Comrade Milos Jakes said: "We are obliged to lead the struggle for a healthier life of the party, against opportunism and liberalism, against a merely formal membership and passivity, for the increase of the party's ability to achieve and of its influence on the working masses. In the conscience of every communist, there should be

anchored a sense of personal responsibility which will be strengthened by a systematic checking against qualitative tasks and by accountability for his activity to the party collective, regardless of the function he holds. That is also the road toward making the influence of the party commensurate with the high number of communists in the society."

The new tasks we have to tackle in the present stage of restructuring require the mobilization of all forces of society. The leadership of our party has recently addressed itself in that sense to the public with a much observed Proclamation of the CPCZ CC presidium on the occasion of the 41st anniversary of Victorious February. Proof of the positive response to it are thousands of opinions as well as concrete engagements and intentions with which the working people reacted to that appeal. They undertook these concrete acts as a way of resolving open questions on the road toward improving socialism. Simultaneously, they reject activities of individuals and illegal groups who would like to carry into the process of complex restructuring of society such forms of political struggle as were used by the Right prior to April 1969.

It has been said many times that the process, the purpose of which is the achievement of a qualitatively higher level of socialism, is being built by us on the foundations created by the victory of workers in February 1948, and the building of socialism that followed. Despite enormous difficulties, a great edifice has been built through sacrifice and creative effort, an edifice which was attacked by the Rightist counterrevolutionary forces during the crisis years.

The April 1969 session of the CPCZ CC which marked the reversal of power relations in favor of continued socialist buildup, is for us a source of valuable lessons. The strength of the party is an attractive and constructive program, toward the realization of which the whole society joins hands. The implementation guidelines adopted after the advent of the new party leadership in April 1969 constituted a program that indicated how to overcome the crisis of the party and of society. That program found support and became the starting point of the development of our society during the first half of the seventies.

The present situation likewise calls for a thorough rethinking of development intentions, for the setting of objectives and means toward their achievement, for determining a clear program and for the mobilization of the forces of society while putting in into effect. Everybody should have an opportunity to participate in the creation of such a program of socialist development, and everybody should be assured of a spot where he could lend a hand toward its fulfilment. The adoption of such a program is one of the important tasks confronting the 18th CPCZ Congress.

Youth Chairman Seeks More Public Discussion

24000118b Prague RUDE PRAVO in Czech
24 Mar 89 p 3

[Interview with CPCZ Secretary and Youth Union Chairman Vasil Mohorita by Eva Louckova: "Public Discussion Will Help Decisionmaking"; date and place not given; first paragraph is RUDE PRAVO introduction]

[Text] Under the heading "Our Program Restructuring and Democratization" MLADA FRONTA and SMENA recently published a program document draft of the Socialist Youth Union's Central Committee Presidium. For answers to questions on the draft we called on Comrade Vasil Mohorita.

[RUDE PRAVO] Why draft this document at all? Would not the conclusions of the Socialist Youth Union's [SSM] Fourth Congress be sufficient for the young people's orientation?

[Mohorita] The present time demands such a comprehensive document. Since the SSM's Fourth Congress many things have changed and acquired dynamism in our society and thus also in our organization. The young people's aspirations, needs, interests must be viewed through contemporary eyes. The document's title is not a fad. We know that most young people support the restructuring and democratization, that they want to help, contribute and therefore must know concretely what to do: in the workplace, in school, at the place of residence. The program document should serve the base organizations as a bit of a guide. At the same time we are using it to address also youth outside the Union.

[RUDE PRAVO] Do you think that another guidance from the center on what the members should do and how is necessary? After all, in the past the SSM's Central Committee originated a multitude of activities. The base organizations had a hard time engaging in all of them, and had absolutely no time to develop their own initiative.

[Mohorita] We don't want to issue orders telling the Union's organizations what activities they must engage in. Rather, it is to show them what they can do and how to be truly representative of the young generation. The draft lists also activities proclaimed by the Central Committee. Those originated earlier have been tested by time. Some have proven their value even though they will have to be given a different quality. Other activities, for instance scientific-technical clubs, small hydropower plants, a service to handle excess stocks, are those born in the present time. There are many of them but in my view this is not a problem. One has to take them as something of a menu from which each can choose. It is much more useful if someone does one thing very well than doing five things poorly. The main thing really is to activate the local organizations; they constitute the

Union's foundation. We can think of many things in the SSM's Central Committee but if it is not accepted by the membership collectives as their own it means nothing.

[RUDE PRAVO] You offered the draft document for public discussion. What do you expect from it? What are the first responses?

[Mohorita] As long as we want it to become a matter for the general public, we need to hear as many views as possible: from the Union members, nonmembers and not only young people. Views that may even be polemical. We will then be able to judge if this or that has majority support, if the youth organization's leadership views things differently from members down the line. Or whether we left out some problems or exaggerated others. We already have the first reactions. In the first place, there is a great demand for the document.

We hear also comments, for instance that the document does not discuss relations with other National Front elements, military youth, or says little about the Pioneer organization.

[RUDE PRAVO] You say that there is a demand for the document. But not everyone will be able to get hold of MLADA FRONTA or SMENA of 9 March which carried it. How can one obtain it and where to address comment? When will the draft acquire the final form?

[Mohorita] The document "Our Program—Restructuring and Democratization" is being published also as a brochure in 100,000 copies. They will be available at SSM's okres committees. Those who have studied it can send their proposals and comments to the SSM Central Committee or to the MLADA FRONTA and SMENA editorial offices. On the basis of the comments we will prepare the final version which will be presented for discussion by the SSM Central Committee in the fall. We will return to it at the Fifth Congress of the Union and decide whether it will become the real program of the SSM.

[RUDE PRAVO] Will the SSM Central Committee use the form of public discussion also for dealing with other important materials concerning the youth union?

[Mohorita] We regard this form as very helpful and necessary, and have already some experience with it. We used it for instance for consideration of changes in the Union's educational program. By the end of March we will publish in the youth press and thereby offer for public discussion the principles for a draft law on state care of children and youth.

[RUDE PRAVO] Thanks for the interview.

YUGOSLAVIA

Retired Politician Queried on Current Issues

28000102 Belgrade *STUDENT* in Serbo-Croatian
17 Mar 89 pp 6-7

[Interview with Batric Jovanovic, former member of SFRY Assembly (1978-1986), by Simo Cickovic: "Real Differentiation Has Not Been Carried Out"; date and place not given; first paragraph is *STUDENT* introduction]

[Text] Batric Jovanovic was one of the few politicians who spoke and gave warnings during the 1981-1986 period about the fatal consequences of failure to resolve the Kosovo drama, inflation running wild, the enormous devaluation of the dinar, and unjustified social differences. The current situation has confirmed that he was more than right.

[*STUDENT*] Today, so many years after the war, we are living in a community being shaken by a crisis that is threatening to destroy its foundations. How do you, who fought even as a youth, view today the implementation of the ideals, and how do you perceive today's events in Yugoslavia?

[Jovanovic] The present events in Yugoslavia are very painful to almost all of us veterans of the NOR [National Liberation War] and old communists, who have remained consistent supporters of the existence of a united socialist Yugoslavia, in which many things are going badly, to our tremendous regret. I must say that everything that is happening in Yugoslavia today is not exactly new. It occurred previously as well. I was a delegate in the SFRY Assembly for two terms (1978-1986), and I became convinced there that there were enormous differences among delegates from different parts of Yugoslavia in their views on the country's burning problems—Kosovo and the tremendous inflation.

[*STUDENT*] Why did the situation in Kosovo deteriorate continually after 1981, and finally culminate in the events of February?

[Jovanovic] The situation in Kosovo is a consequence of a long-standing, mistaken policy on the part of the Yugoslav leadership, dating back to the Brioni plenum of the LCY Central Committee [CC] in 1966. I think that the Brioni plenum was only formally devoted to deviations in the State Security Service [SDB], and that there was something else behind the scenes. One of the goals was to create conditions for the activity of various sinister separatist forces in Yugoslavia. The results of this plenum made it possible to hide the truth about Kosmet [Kosovo and Metohija] from the Yugoslav public for 15 years, and to create an anti-Serbian lobby, i.e., an anti-Serbian coalition in Yugoslavia. For example, Miko Tripalo, at a luncheon organized for him by prominent Montenegrins alienated from their national

identity, stated then, "Let us separate Kosovo and Vojvodina from Serbia, and then let the Serbs have their way in the Belgrade pashadom." The goal was to fragment Serbia and carry out the Albanization of Kosovo and Metohija, under the slogan, "As weak a Serbia as possible." That was soon implemented both legally and in actuality.

Since the truth about the tragedy of the Kosmet Serbs and Montenegrins burst out in 1981, there has been continual speculation in Yugoslavia about what should be done and how, and the views of the causes and consequences of the activity of Albanian separatists have always been different. That was most clearly demonstrated on the occasion of the submission of the report by Milan Pancevski, on behalf of a working group at the LCY CC session on the responsibility of Fadilj Hodza, in November 1987. In that context, the public support from the leaderships of Slovenia and Croatia and individuals from Bosnia-Herzegovina, and especially from the press of those areas, for the Albanian separatists in Kosmet recently has not been anything new.

During the five discussions of the Serbs and Montenegrins being driven out of the Kosovo SAP, the delegates from those republics, except for people who spoke on their behalf, never spoke in support of a true solution to the Kosovo drama. They always tried to water down the conclusions.

Mistaken Policy Toward Albania

[*STUDENT*] In June 1981, in the SFRY Assembly, you said that the first precondition for curbing the counter-revolution in Kosovo was preventing pan-Albanian propaganda. The recent events, when Albanian television was "graciously" conceded the second channel of Belgrade TV at the Djakovica rebroadcasting station, confirm that your demand was justified then and that nothing has been done since then.

[Jovanovic] I use the term "Albanian separatist movement in Kosovo," because the expression "counterrevolution" implies a class conflict, but the latter is in the background here.

Yugoslavia's entire policy toward Albania has been mistaken and influenced by the anti-Serbian coalition. In the 1970's, the leadership's hands, i.e., Fadilj Hodza's, were freed for cooperation with Albania. He persuaded the country's leadership that cooperation with Albania would contribute to changing the situation in Kosovo. It created room, however, for the unhindered wandering of Enver Hoxha's spies and emissaries around Kosmet. When the truth about Kosmet burst out in 1981, it was expected that Yugoslavia would change its policy toward Albania, and make it conditional upon a change in that country's conduct toward Kosovo and Metohija. Not only did Albania not change its policy, but instead it conducted an even more brutal campaign against Yugoslavia. There are textbooks in Albania that call for the

destruction of Yugoslavia. In spite of that, we built the railroad from Titograd to the Yugoslav-Albanian border for Albania, and our transportation routes are their only link to the world. A state that cares about its reputation and interests cannot behave toward an aggressive neighbor in accordance with the old Christian motto of turning the other cheek. Such a foreign policy is anti-Yugoslav. Those people who thought that the Albanian foreign minister's visit to Belgrade during the Balkan foreign ministers' conference would also mean a change in Albania's attitude toward Kosmet were mistaken. That was only a tactical game of theirs, within the framework of a strategy aimed at the creation of a Greater Albania. Conducting foreign policy in this way made it possible for Albanian propaganda to "take over" our TV channel. The Kosmet authorities did not want to prevent this, and the Serbian authorities did not have the authority.

[STUDENT] And the Yugoslav authorities?

[Jovanovic] Yugoslavia could have, because it has full authority under article 281, paragraph 17 of the SFRY Constitution, according to which the Federation "protects constitutionality and legality" through the federal authorities. That means that if the republic and provincial authorities will not or cannot protect constitutionality and legality, the federal authorities are obligated to do so. The hesitation about introducing a state of emergency in Kosmet shows that Yugoslavia did not want to take the necessary measures in time. Why did people wait? An occupation situation was allowed to exist in Kosmet, and the separatists were allowed to move about in the legal state and party bodies. The Yugoslav authorities did not act because there are always forces that oppose resolute actions, and try to keep anything from being done. They are even suited by the complete Albanization of Kosmet, just as long as Kosovo and Metohija are not part of a united Serbia.

Who Is Responsible for the Occupation?

[STUDENT] Lazar Mojsov, member of the SFRY Presidency, stated in the SFRY Assembly that at one time our authorities did not have control over the entire territory of Yugoslavia. Who is responsible for part of the country being occupied?

[Jovanovic] The SFRY Presidency and the LCY CC Presidium, and primarily their leaders, are responsible. As much as they hurried to use poison and clubs against the Montenegrin workers and students, communists and noncommunists, who are heart and soul in favor of a socialist Yugoslavia, they did not want to use force in Kosmet against those who were betraying the country. Not one legal state would allow that.

[STUDENT] What do you think about the arrest of certain people in Kosovo?

[Jovanovic] Things are finally going the right way. Previously young people, who were only the perpetrators and not the chief organizers and inspirers, were constantly being arrested and convicted to long prison terms. It is well known that Fadilj Hodza is the one who inspired the separatist movement in Kosovo. That is a person whose life's goal was the creation of a Greater Albania, and the separation of Kosmet from Yugoslavia. That is confirmed by his actions during and after the war, when he fought for the separation of Kosovo and Metohija from the Serbian SR, with the assistance of his allies and patrons in the anti-Serbian coalition. Incomparably more would have been accomplished in the struggle against Albanian separatism in Kosmet if Fadilj Hodza had been arrested in 1981 and all the young people arrested had been released.

[STUDENT] Fadilj Hodza is still moving freely about Kosovo; his passport has not even been taken away.

[Jovanovic] That is a reflection of our situation in Yugoslavia, and shows that there are forces that do not support a resolution of the Kosovo drama. The anti-Serbian coalition had an ally in Fadilj Hodza, as it did later in Azem Vlasi and others.

[STUDENT] DANAS in Zagreb announced that Morina did not have support in Kosovo.

[Jovanovic] That is an invention by the separatists. There are also people with separatist inclinations in the Kosovo leadership, for example, Nebi Gasi. Let me remind you that in 1982, as president of the Pristina LC OK, during a visit by Raif Dizdarevic, the president of the SFRY Assembly, Gasi stated that the situation in Pristina was good, even though almost half of the Serbs and Montenegrins who had emigrated under pressure at that time were from Pristina. I also do not trust Remzi Koljgecija. There is also Ekrem Arifi, formerly a member of the Presidium of the Kosovo LC Provincial Committee, who participated in the fifth-columnist demonstrations in 1968. Morina is not supported by the people with separatist inclinations, but he is supported by all Yugoslav patriots among the Albanians, in addition to the Serbs, Montenegrins, and Moslems in Kosmet.

[STUDENT] The public media in Kosovo are constantly downplaying the efforts being made by the Yugoslav community to solve the economic problems of Kosovo. That is another reason why the emigration of Serbs and Montenegrins from Kosovo has not stopped, because it is constantly being suggested to them that they do not have any future in that area.

[Jovanovic] The media in Kosmet, except for the editorial boards working in the Serbo-Croatian language, are in the service of the Albanian separatists. In fact, the separatists have a firm hold on all of the Albanian public media. Although there have been certain personnel changes at RILINDJA and Pristina Television, a real

cadre differentiation into those for and against Yugoslavia has never been carried out. Their allies in Yugoslavia are contributing most to that. Didn't DELO in Ljubljana write about the "trains of nationalism" when the Serbs and Montenegrins who had been deprived of their rights came from Kosmet to Belgrade? Didn't DANAS in Zagreb publish an article, prior to the February strike by Albanian separatists, about an upcoming general strike in Kosmet?

Cadres From Albania Had an Advantage

[STUDENT] Our poor personnel policy also contributed to a great extent to the Albanization of Kosovo. In fact, after the war we promoted Albanian emigrants like Hodza, the Nimani brothers, and Pulju at the expense of the Siptars [Albanians] born in Kosovo...

[Jovanovic] They emigrated to Albania between the two wars, and during World War II they came to Yugoslavia to work for Albania's interests. According to the Yugoslav laws in force, Fadilj Hodza did not even become a citizen of the SFRY. Thanks to support from the anti-Serbian lobby, and with the consent of opportunistic Serbian leaderships, they were able to become the chief factors in Kosmet and conduct a traitorous and anti-Yugoslav policy.

[STUDENT] In your opinion, what should be done immediately, and which measures should be taken, in order to normalize the situation in Kosovo and halt the exodus of Serbs and Montenegrins?

[Jovanovic] Under the present conditions, which have existed in Kosovo for more than two decades, it is necessary to ensure equality as soon as possible, because there is majority rule by Albanians in all of the state bodies and sociopolitical organizations, and Serbs and Montenegrins are in the minority, i.e., commensurate with their proportion in the population of Kosmet. It is necessary to introduce the principle that is in all of the federal bodies, in which both the largest and the smallest republics are equally represented. For that purpose, it is necessary to form a council of nationalities in the Kosovo Assembly and the assemblies of the opstinas with mixed nationalities. Those councils would have a composition based on parity, and would decide on all issues of vital significance for the life of each nationality. Parity should also be ensured in the prosecutor's office, the courts, and in state and public security.

Another essential prerequisite is slowing the incredible demographic expansion of the Albanian national minority and its pressure upon the rest. That expansion is being encouraged by the separatists and financed by Yugoslavia. The third prerequisite is adopting the amendments to the Serbian Constitution as quickly as possible, and I hope that in this social climate the Kosovo Assembly will give its consent; the republic authorities will thus act as the next higher level with respect to the provincial ones. That will create a feeling

of security among the Serbs and Montenegrins in Kosovo and Metohija, since if the provincial authorities do not want to protect constitutionality and legality, the republic authorities will have the authority to do so. That will eliminate the Albanian separatists' genocidal terror.

There Is a Kosovo Cult in Montenegro

[STUDENT] The events in Montenegro are still current and in many respects contradictory; it has been said that the Russians are being sought, that the meetings are led by nationalists who have come from Serbia, and that the sons of Cetniks are in the organizing committees for the meetings...

[Jovanovic] There is no question of any outside involvement. That is pure fiction. Tintor's assertion about the "sons of Cetniks" is also a lie. The Montenegrins did not need anyone to encourage them, because that people has been on a war footing with its leadership for a long time. There is a cult of Kosovo and the events in Kosmet in Montenegro, as well as in Serbia, i.e., the sufferings of the Kosmet Serbs and Montenegrins are perceived with measureless anger. I know quite well how many Montenegrins approved of my speeches in the Assembly and how many condemned the leadership's slimy behavior. The crowning point was the speech by Miljan Radovic at the 9th plenum of the LCY CC, when he said that we were not "in favor of paternalism with respect to the Montenegrins living in Kosmet," and that this was a matter for the Kosovo authorities. That aroused anger among the Montenegrin people. (At a discussion group at the University of Pristina, Mirko Perovic said that he was certain that not even one percent of Montenegrins supported Radovic; this received a frenetic welcome.) The people's distrust in the leadership was intensified after the 16th session of the LCY CC, when Vidoje Zarkovic was one of the most vocal supporters of the formation of the "Hafner group," whose purpose was to find that the Serbian leadership, especially Slobodan Milosevic, was responsible for the "quarrel" with Vojvodina. But the truth is that the proponents of autonomy in the Vojvodina leadership, in agreement with the anti-Serbian coalition, attempted at a closed/open session of the Vojvodina LC Provincial Committee to carry out a coup against the leadership of the Serbian LC CC. It was also heard in Montenegro that Zarkovic, at closed sessions of the Presidium of the LCY CC, was condemning the Serbian leadership because of the rallies in Serbia. Then the 20 August rally in Titograd took place. The Montenegrin leadership was against the rally, and the bitterness was intensified because the Montenegrin leadership, both directly and through POBJEDA and Titograd TV, spread lies about those rallies. Afterwards came the October demonstrations and the use of force against the people—which was horrible, since this was an attempt to kill people.

[STUDENT] Are you thinking of the events near Zuta Greda?

[Jovanovic] The place is called Jovicin Kuk, and Zuta Greda is a location slightly removed from it. I think that several criminal acts were committed there, and that the highest Montenegrin and federal leaders should answer for them.

[STUDENT] Who, most of all?

[Jovanovic] The heads of the state and party leaderships of Montenegro and Yugoslavia.

[STUDENT] Do you agree with Bucin in assuming that the decision to use force was made between Radovic and Suvar, and Ivanovic and Dizdarevic?

[Jovanovic] Absolutely. It is quite certain that they participated in it, and I even think that Dizdarevic and Suvar were more insistent upon using force. On the evening of 10 January they were hesitating, they did not submit their resignations, and they were certainly thinking about using force again. That time, however, the people were armed—the members of nationwide defense—and chanted, "We have weapons too." That acted as a deterrent.

[STUDENT] What was the main reason for the disagreement between the people and the leadership in Montenegro?

[Jovanovic] Dissatisfaction with the failure to resolve the Kosovo drama and the failure to support the Serbian leadership and Slobodan Milosevic, who are resolutely advocating the resolution of that drama. A tremendous majority of the Montenegrin people is furthermore extremely angry about the economic policy of the Federal Executive Council, which has resulted in mammoth inflation and the impoverishment of the people—something which the Montenegrin leadership did not oppose.

[STUDENT] What is the situation like in Montenegro today?

[Jovanovic] Things became easier for the people, but there is still a sort of dual authority there today. The republic administrative bodies, the Assembly delegates, and the LC CC members remained untouched, but all of them supported the leadership that has been replaced on the occasion of the use of force against the people. For that reason, the youth organization launched an initiative to have the Montenegrin member of the SFRY Presidency elected by referendum, and not by a vote in the Assembly. Since those responsible for the failed policy do not enjoy any sort of support among the people, I believe that the situation will be normalized after the delegate elections and the extraordinary congress of the Montenegrin LC, i.e., all of the leaderships then will be in accordance with the will of the people.

The People Demanded That I Speak

[STUDENT] Your participation in the Montenegrin events is still eliciting contradictory reactions...?

[Jovanovic] Because of my speeches in the SFRY Assembly about the Kosovo tragedy, inflation, and social differences, an enormous number of LC basic organizations in Montenegro nominated me as a candidate for member of the LCY CC Presidium prior to the 13th LCY Congress. The Montenegrin leadership, however, did not even propose me for member of the LCY CC, and I was not even a delegate to the LCY Congress.

The Committee of Kosovo-Metohija Serbs and Montenegrins for Protests Outside Kosmet requested that Svetozar Vukmanovic Tempo, Marko Orlandic, and I speak on 20 August 1988 at a Montenegrin rally in Titograd for solidarity with the oppressed Serbs and Montenegrins. Tempo, when he heard that the Montenegrin leadership was energetically opposed to our speaking, did not even come to the rally, but he was also ill. Marko Orlandic stated that he would come to speak if that were the position of the leadership, but in any case he was in Kotor with Suvar that day. I was at the rally, but the Montenegrin leadership ordered the militia not to allow me to approach the podium under any circumstances—even though the people were continually chanting, "We want Batric." According to BORBA's coverage on 22 August, that was the most frequently shouted slogan at the rally. Consequently, there are no "contradictory reactions" in connection with my participation in the Montenegrin events—there is no abyss between me and the people. The Montenegrin leadership was afraid that I would "inflamm" the people. For the same reasons, it also prevented Vasilije Milutinovic, the president of SUBNOR [Federation of Associations of Veterans of the National Liberation War] from speaking at the rally.

After the rally, the people took me in front of the Montenegro Hotel, where the rally resumed and they forced me to speak there. I said then that we should send a telegram from there to the SFRY Presidency and the LCY CC Presidium with a demand that they hold extraordinary sessions and support the amendments to the Serbian Constitution. The two presidencies did so, but with a considerable delay. If they had done so immediately, they would have avoided many of today's problems.

That rally was something fantastic: at a temperature of 50 degrees. The Montenegrin leadership was constantly booed, and the slogan "Turn your back" originated there. For the first time at rallies in Yugoslavia, the dissatisfied people turned their backs on those who were speaking.

[STUDENT] Is affirmation of the Montenegrin people possible outside of the Serbian context?

[Jovanovic] Any such attempt is crazy, just as the idea of separating the Austrian nation from the German context would be crazy. The Montenegrins are Serbs by origin, history, and tradition. Any attempt to destroy this only arouses anger in Montenegro. The Serbian and Montenegrin nations arose from the Serbian people. It can even be said that the uniting of the people was because of the attempts by a small group of Montenegrin anti-Serbian chauvinists to make Montenegrins into Serbophobes. In many respects, the Serbian and Montenegrin nations are identical or quite close: they have a common origin, language, a common arduous and glorious past, common customs, old myths, cults, and legends, a common cultural heritage... That is the reason for the songs about the immemorial closeness to Serbia that were sung en masse at the rallies in Montenegro:

"We are the children of two countries, Montenegro and Serbia." "Montenegro and Serbia are one family." "Who says it lies, that Serbia does not have a sea, it has a sea, it has a sea, as long as there is Montenegro." "Slobodan Milosevic, don't let Serbdom fail." "Slobodan, Serbian son, when will you come to Cetinje?" "Montenegro gave birth to Sloba, to liberate Kosovo." "Serbs, dear brothers, has your strength failed; you have hope and support in us, your brothers the Montenegrins."

[STUDENT] Whose invention was it that the participants in the rally called for the Russians?

[Jovanovic] The lie was put forward that "someone" at the rally in Niksic on 18 September 1988 shouted, "We want the Russians." Vidoje Konatar, the editor-commentator at POBJEDA, has testified that he gave editor in chief Momir Sljukic (who headed POBJEDA in collusion with the leadership) the article without that slogan. The next day that slogan appeared in Konatar's article in POBJEDA—which means that Sljukic inserted it. The Montenegrin leadership's goal was to discredit the rallies as hostile and a tool of the Informburists. That was a vile act that the people did not forgive.

The Economic Reform Will Not Succeed Unless Inflation Is Overcome

[STUDENT] What are the main prerequisites for the success of the economic reform?

[Jovanovic] In the first place, radically curbing inflation as soon as possible. There cannot be anything without that. The second thing is integration of the republics' autarchic economies and the creation of a unified Yugoslav economy. I think that some parts of Yugoslavia are not in favor of that. I am a skeptic, that is, I do not believe that the economic reform will be successful, because the coalition of rich people who have profited from inflation is very strong and unscrupulous.

[STUDENT] In your speech in the SFRY Assembly in 1983, you warned about the harmfulness of devaluing the dinar. Who is responsible for the fact that the fall of the dinar has been continually accelerated since then?

[Jovanovic] The devaluation of the dinar has had catastrophically bad consequences for our economy. While Tito was alive, inflation was constantly under control, and the dinar was protected. For example, in May 1980 one dollar was worth 21 dinars, but today it is worth about 7,500, which means that the dinar has been devalued more than 340 times. That is unprecedented in the history of Europe, with the exception of the brief period in defeated Germany after World War I. This fall of the dinar has caused dreadful inflation, enormous losses in the prices of our goods abroad, and a decline in production. Those who gained the most were the owners of foreign exchange accounts, who have a decisive influence upon the constant toppling of the dinar.

[STUDENT] During your terms in the SFRY Assembly, you requested that the delegates and the public be allowed to see the agreements between Yugoslavia and the IMF. That has not been done even today. Were those agreements a sort of sell-out of the country?

[Jovanovic] That is absolutely correct. At my insistence, the government gave me a letter from the IMF director for Europe which was sent to Zvone Dragan, at that time the vice president of the Federal Executive Council [FEC], but the rest of the delegates did not receive that letter. It was constantly said that the IMF was demanding that we devalue the dinar. That is a lie. In that letter, the IMF director for Europe noted that Zvone Dragan was of the opinion that it was necessary to carry out the policy of the so-called real exchange rate for the dinar. It is in the IMF's interest that we meet our financial obligations, but the issue of the dinar is our affair. The policy of the "real exchange rate" led to an enormous transfer of social income into the pockets of the rich. I think that certain circles in our country prompted the IMF people about what they should ask of us.

[STUDENT] Apparently the FEC is the highest authority, and not the Assembly?

[Jovanovic] It is frequently said in our country that the FEC is impotent. That is not true. The FEC's jurisdiction includes the policy of the exchange rate for the dinar, interest policy, price policy, and the policy for issuing money. This means that all the main factors that influence inflation are in the hands of the FEC. The policy of the "real exchange rate for the dinar" resembles a race between a man and his shadow. The man can never catch his shadow. We have a vicious circle in which a jump in prices stimulates a drop in the dinar, and then the drop in the dinar stimulates a jump in prices. And so it goes, endlessly!

It Is Real Insanity!

[STUDENT] On the basis of the statements to date by Ante Markovic, who has been charged with forming the FEC, do you think that the new government will be able to curb inflation and successfully carry out the economic reform, or will the situation in the economy and society continue to deteriorate?

[Jovanovic] From what he has stated so far, it appears that Ante Markovic will continue to implement the policy of Milka Planinc and Branko Mikulic. What is happening today in connection with the formation of the government is a real mockery, beyond any condemnation. The FEC resigned in December, and a new government was supposed to be appointed within 15 days, without waiting for 3 months. It appears from Ante Markovic's statements that his orientation is toward continuing the policy that suits the most developed parts of the country, namely the continued ruin of the dinar, and a continuing race between the rate of inflation and interest—which impoverishes the economy and makes it possible for prices to continue running wild.

Capitalist Principle in Socialism

[STUDENT] At one time, you spoke in the SFRY Assembly about the abuse of housing credits. The events regarding Neum, Brezovica, etc., show that you were absolutely right.

[Jovanovic] It is the LCY's historic mistake that it has permitted the establishment of a category of unemployed people, which is inherent to capitalism. After unemployment, the highest type of unjustified social differences lies in the housing sphere, in which an antisocialist policy of fostering the rich has been conducted for more than 30 years. Rich people have been able to get "housing" credits on the basis of "participation," using them to build weekend cottages, villas, and manors. Consequently, they concluded contracts with the bank for the construction of apartments, but built weekend cottages! That was done in Neum by Bosnian officials, but that happens in all regions. Of the 250,000 weekend cottages that exist in Yugoslavia today, more than 200,000 were built with long-term "housing" credits with low interest rates. The owners of the credits, together with the owners of foreign exchange accounts, are the main supports of an inflationary policy. The higher inflation is, the lower their repayments, and the richer they are. On the other hand, a poor person has not been able to get a credit, because he has not had the money for "participation." The introduction of the institution of "participation" is a rich man's trick without precedent, because, for example, someone gives "X" dinars and gets 3 times "X"; the outflow of public funds is thus 2 times "X". Naturally, it does not matter to the bank or the state whether the 2 times "X" will be loaned to a rich man or a poor man. The poor man should have

had precedence, because the rich man has a housing entitlement in a comfortable apartment, while the poor man lives in an uncomfortable apartment or even in a hut.

[STUDENT] Does this mean that the dominant capitalist logic is in force: whoever is rich will become even richer, and whoever is poor will become even poorer?

[Jovanovic] Yes. That is shameful! I even think that in capitalist countries where workers' parties have a strong influence, something like this is inconceivable. Such a policy has not only been conducted toward individuals, but also toward work organizations. In the Federal Assembly, I advocated having "housing" credits revalued and converted into consumer credits, and that their beneficiaries repay them within a specified (brief) period or return their publicly owned apartments if they want to keep their weekend cottages. Neither was carried out in practice.

[STUDENT] Why?

[Jovanovic] Because the rich strata are in a majority in the Assembly and everywhere that decisions are made.

[STUDENT] The earnings of our diplomatic and commercial representatives abroad, which are still untaxed, constitute one of the major sources of social inequities in our society.

[Jovanovic] Yes, I spoke about this in the Assembly and wrote about it. The people who work in diplomacy and trade representations, as well as our enterprises' employees working abroad, receive enormous salaries in foreign exchange, which are not taxed here, or else dinar wages are reported, on paper, before they go abroad, and revalued by the amount of the increase of wages within Yugoslavia. At my insistence, the Assembly's conclusions in 1984 included a statement that it was necessary to tax the foreign exchange earnings of our citizens. Nothing has been done for five years now.

[STUDENT] Will a law on taxing foreign exchange incomes "go through" now, because there are already reservations from individual republics?

[Jovanovic] I do not know what will happen. I do not believe so. Those who have grabbed wealth will not let go of it easily. It is a great pity that at these rallies the people did not also set certain social demands. It is necessary to expropriate all illegally and unconstitutionally acquired property. That is of vital significance for preserving the heritage of our revolution.

[STUDENT] At the beginning of the 1980's, an initiative was launched for having an inventory of officials' property made before, during, and after their terms of office. Discussions are also being conducted about that today, but nothing concrete has been done. Why?

[Jovanovic] Because it does not suit the officials to have their machinations revealed. I advocated having that principle apply to all officials, from the opstina and the enterprise to the federation.

State Tourism

[STUDENT] Officials' frequent travel abroad is an opportunity to earn a great deal quickly and easily.

[Jovanovic] My impression is that now the trips by our highest officials have been slightly reduced, but on the other hand all the rest of them travel an awful lot. At one time, there was too much travel by our highest officials. For example, Milos Minic, when he came to be the Federal Secretary for Foreign Affairs, was constantly traveling. He always took his wife with him (I do not know whether she also received per diems), and along with her, since he was ill, he was constantly accompanied by a physician to "watch" over his health. He visited an enormous number of countries, and went both where it was necessary and where it was not. There were many more countries where it was not necessary to go. After him, that practice was continued by Josip Vrhovec, who even went to San Marino. Those people acquired enormous wealth.

[STUDENT] Couldn't you and the other delegates in the SFRY Assembly influence those trips around the world at state expense?

[Jovanovic] No, unfortunately. On several occasions, at meetings of the Foreign Policy Committee, I sharply criticized those unnecessary trips by federal officials. I was alone in that. Most of the delegates even felt that this was a taboo topic. I must say that President Tito, unfortunately, set a bad example for all this. His trips abroad frequently lasted a long time and cost a great deal, and there were too many of them, so that tourism at the highest level became a tradition for us.

[STUDENT] Do you think that Yugoslavia has too many people in its diplomatic representations?

[Jovanovic] Yes, that number can be cut in half, but there is too much interest on the part of people who are then guided in making decisions by the following system: the more places there are, the greater the chance of becoming a diplomat, and the sooner it will be my turn...

GERMAN DEMOCRATIC REPUBLIC

Implications of Revised Military Doctrine

23000156 East Berlin VOLKSARMEE in German
No 13, 1989 p 3

[Commentary by Major General Professor Dr Rolf Lehmann, deputy chief, "Friedrich Engels" Military Academy, member Scientific Council for Peace Research of the GDR Academy of Sciences: "The Military Mission Before Us Is to Secure Peace"]

[Text] The unilateral disarmament moves announced by the socialist countries over the past 4 months and the publication of data relating to armed forces and armaments in Europe by the committee of the Warsaw Pact defense ministers as well as the reaffirmation of the three-stage plan at the Vienna talks on conventional forces in Europe all have an immediate bearing on our common military doctrine. In this way, the reduction in personnel, in tanks, aircraft and the defense expenditures as well as the agreed upon structural changes in the NVA and other fraternal armies serve to underscore the defensive nature of our armed forces still further. The publication of all data by the Warsaw Pact is an indication of the fact that we have nothing to hide. We are making public the numbers both in those areas where we have superiority and in those where NATO has. For the very reason that our military doctrine is of a defensive nature and that our goal is to achieve a substantial reduction in the military balance to the point of mutual nonoffensive capability we are interested in the greatest possible openness.

At the same time, the unilateral disarmament moves and the publication of data give proof of the fact that a great deal of work has been done since the publication of our military doctrine in May 1987 to draw practical conclusions from our common military doctrine. Socialist military science has made decisive theoretical contributions to this effort. In this context, it is of definite interest to point out the interaction between military doctrine and military science.

Military Doctrine Is Rule of Action

First of all, the two differ in the general applicability of findings. In science, it is perfectly normal for different views to exist with regard to this or that question of national defense and of military affairs in general. In theory, that is even quite desirable because truth and fundamental insights will only emerge as a result of a difference of opinion. But disputes of this kind may take a very long time to resolve. The real world calls for definite and secure principles which form the basis for rules of action. It calls for guidelines on the fundamental issues relating to the structure of forces and the organization of national defense. Such principles are stated as part of military doctrine. But this doctrine not only includes all of the theoretical ideas relating to specific questions. It is a system of principles which are an

expression of the views accepted by the party and state leaderships with which the armed forces and the national defense establishment must comply. For us, therefore, the common military doctrine has the force of law. And this means in turn that certain ideas, e.g., with regard to preventive actions, are inadmissible and that applies to all military command levels.

In working out the socialist military doctrine, we are able to draw on a classic Soviet military theoretician, i.e., M.V. Frunse. In 1921, Frunse defined military doctrine as "the doctrine accepted by the army of a given nation which determines the nature of the structure of its armed forces, its military training methods and command principles on the basis of the views prevailing in that nation with regard to the nature of the military mission it faces and the ways of fulfilling it which are an outgrowth of the class character of that nation and the state of development of its productive resources." [Military doctrine] was and still is a historical factor which is subject to change.

Need for New Approach

In order to spell out our new military doctrine it was necessary to redefine the military mission before us in light of the military-strategic balance and the unfeasibility of war between the military coalitions. The need for a new doctrine did not arise because the old doctrine was faulty. The old doctrine was the correct one, given the situation in light of which it was established. But conditions have changed. This applies specifically to the international situation and to military technology. In this respect, the difference between the two systems becomes particularly apparent. While the socialist countries have elevated the concept that war can no longer be waged at this time to a matter of national policy which determines the basis of their actions, influential forces of NATO are trying to make war feasible once again.

Based on the realities of the nuclear-cosmic age, the military doctrine of the Warsaw Pact member states is conceptually determined as a system of the fundamental ideas officially approved by the Warsaw Pact regarding the prevention of war, the military structure, the preparation of the states and their armed forces and the methods of conducting armed combat in defense of socialism. [The doctrine] is based on the principle that the military mission before us consists in the prevention of war and the reliable preservation of peace.

Military science which has made a contribution to the development of the new military doctrine is now faced with the need to find a solution to the many problems connected with the practical implementation of the doctrine. In particular, this relates to the question of how the armed forces are to be employed in order to prevent war and how reasonable adequacy can genuinely be attained.

The Defensive Strength of Socialism

At the present time, the following answers to these questions can be given. The principal mission of our coalition consists in maintaining defensive strength at a level which keeps the imperialist nations from acquiring military superiority and from carrying out acts of aggression and which guarantees the inviolability of our national borders and prevents provocations and attacks on the sovereignty of the socialist countries. At the same time, our defensive strength must enable us to repel an aggressor in case of aggression and to safeguard both the socialist achievements and the territorial integrity of the fraternal nations. To make this possible, sovereignty in peacetime is safeguarded in a state of heightened defense readiness through the efforts of our ready-alert system and our combat, outpost, and border units. The members of our armed forces acquire these aptitudes through solid political and combat training.

As a consequence, serving in the military is increasingly turning into a political job. Present-day and future officers will be called upon to an even greater extent than heretofore to exercise independent political judgment; to integrate their military functions in larger political contexts; to present militarily and politically correct analyses and arguments; to prepare sober assessments of operational and tactical situations; to make appropriate decisions and to maintain a politically watchful, partisan, and objective attitude in their dealings with representatives of capitalist countries.

Confidence Building in Military Matters

Our new military doctrine also calls for contributing to confidence and security building in military matters. This applies to the implementation of all the provisions contained in the Stockholm document on confidence and security building and disarmament in Europe, e.g., giving notice of certain military activities and extending invitations to maneuver observers. Our three-stage plan for the reduction of armed forces and conventional armaments in Europe as well as the unilateral disarmament moves of the socialist countries are a part of this effort.

The realization that war is an inappropriate instrument because wars are no longer winnable in this day and age does not rule the possibility of war however. This is why we must do what is necessary in light of the present real threat to provide for reliable military protection of socialism while continuing to pursue our comprehensive program for peace which is aimed at achieving nonoffensive capability of both military coalitions.

Information Provided on Officer Careers

23000165 East Berlin AR ARMEERUNDSCHAU in German No 4, Apr 89 pp 84-87

[Article by Horst Spickereit: "AR-Adviser: Career Officers"]

[Text]

What Military Careers Are All About

In addition to soldiers performing basic military service and long-term servicemen, there is a need in our Armed Forces for a pool of experienced cadres who choose and pursue a military career of their own volition. Without them, it will not be possible to provide leadership for the members of our Army and Navy; to train them properly and develop them further and to shape their combat effectiveness in such a way that our socialist achievements will at all times be reliably protected and peace will be preserved for our country.

There are military careers for career officers, career warrant officers and career noncommissioned officers. These career soldiers all have one thing in common: firm class consciousness and political steadfastness; reliability and combat-readiness, and the capability of providing leadership to military collectives large and small. Career officers (with whom this particular AR-Adviser is concerned) undergo a scientifically oriented training program involving study at an institution of higher learning leading to a diploma.

What Are the Basic Requirements for Becoming a Career Officer?

First, the applicant must have attained his higher education entrance levels. This can be done in the three following ways:

A = Graduation (Abitur) from an comprehensive secondary school;

B = Job training plus Abitur

C = Skilled worker; also 1-year course (Vorkurs) to achieve higher education entrance levels following admission as officer trainee. The kreis military command will select the appropriate educational program in each individual case.

But what good would a future career officer be, if he had not taken part in FDJ [Free German Youth] social activities; if he had not undergone premilitary training in the GST [Society for Sport and Culture] and had not participated in an FDJ applicants' collective for military careers? He must also be fit for military service: a well-trained, healthy body is a must. And, last but not least, the applicant must have a positive attitude to the requirements of military service.

How to Apply

This should be done in plenty of time—preferably by March during the 9th year of secondary school. Those wishing to join the Air Force should make their decision during their 8th year. In this way, the most appropriate course of studies based on individual capabilities and interests can be agreed and decided upon.

The homeroom teacher will provide the applicant with the proper form to fill out. It must be accompanied by a vitae, a copy of the last report card, an evaluation by the homeroom teacher and a statement by the FDJ group. These documents are then submitted to the kreis military command which will review them and schedule a physical examination. Notification of acceptance as an officer candidate will be sent out by 31 May of that school year. Starting with the 10th year of school, these youths are admitted to an FDJ candidates' collective for military careers. This is to make sure that they will undergo comprehensive preparation for their future military careers for at least 3 years.

Choosing One's Own Branch of Service

Everyone, of course, is free to state his preference. If at all possible, these preferences will be honored—in particular if they conform with social interests, i.e., with the requirements of our Armed Forces. The personnel needs in the various areas will be the determining factor of course. Most courses of study are subdivided into different specialized fields. Since some of these specialized fields are not restricted to one specific training curriculum, special interests may be realizable in several different courses of study.

That is why applicants would be well advised to select two different training curricula from the start so that he will not have to spend a long time making up his mind.

Studies: What and Where

Some 30 courses of study are given at the five officer training schools operated by our Armed Forces. In addition, military physicians, dentists, and pharmacists receive their training at the "Maxim Zetkin" military medicine department of Ernst Moritz Arndt University in Greifswald.

The "Ernst Thaelmann" ground forces officer training school, located at Loebau and Zittau, provides training for political officers as well as for the motorized rifle units, armored forces, the missile units and the artillery, the air defense forces, the engineers, the chemical decontamination units, the intelligence services; for missile and weapons technology maintenance, armored maintenance, automotive maintenance, rear services, and the military transport service.

The "Franz Mehring" air forces/air defense officer training school at Kamenz provides training for political officers as well as officers for the antiaircraft missile forces, for the special purpose radio technical service, the intelligence and air traffic control services, the flight engineer service, the air force/air defense rear services and for command staff. The officer training school for military aviation is located in Bautzen. The "Karl Liebknecht" navy officer training school in Stralsund provides training for political officers, naval officers, and naval engineers. The "Rosa Luxemburg" officer training

school for the Border Troops of the GDR provides training for future Border Troops officers (political officers and border security officers). A handful of (mostly technical) training programs are conducted at officer training schools in the USSR and in other fraternal socialist countries.

Studies at Civilian Universities and Colleges

Such studies are permissible in specific fields for which there is a somewhat limited need in our Armed Forces. Future military finance economists and meteorologists study in Berlin; military interpreters study in Berlin and Leipzig; sports officers, in Leipzig; military construction officers, in Cottbus and officers to supervise the mechanization and automation of command and control functions, in Dresden.

The students concerned are enlisted career officer candidates who receive military training prior to and during the course of their studies. During this period they are considered officer trainees.

The Admission Process

All candidates participate in an admission process which usually takes place in May or June of the year preceding the year they commence their studies at their future military training facility. The youths are given a physical examination; they are interviewed about their ideas of their future profession; their academic and vocational records are examined; they are given a tour of their prospective training institution and a picture of political, military, and intellectual life at the training school.

They are given a 4-part physical fitness test: pull-ups, 5-meter rope climbing, hand grenade throwing, and 3,000-meter race. At the end of the entire process, the candidates are informed whether they meet the qualifications for the course of study they have applied for. The authorizations are subsequently issued by the kreis military commands.

Fields of Study

The following programs are available following completion of compulsory basic military service: the social sciences; military affairs and military technology; engineering; mathematics and natural sciences; basic information science and, of course, foreign languages.

Throughout the training cycle the candidates repeatedly go into the field, attend troop instruction programs and receive hands-on training. The entire program is brought to a conclusion with a final examination and the diploma process. Upon completion, candidates are commissioned as second lieutenants and receive their diploma in accordance with their course of study.

Can NCO's Become Officers?

In principle, all party members on different duty assignments are eligible as long as they meet the abovementioned requirements and are no more than 23 years of age. They, too, are required to go through the requisite admission process.

Following their admission, they are confirmed in their new duty assignment and designated as officer trainees by their division commander and then transferred to the officer training school in question. If necessary, the applicants will complete a 1-year course (Vorkurs) to achieve higher education entrance levels. In that case, NCO's retain their duty assignments and are admitted as officer trainees at the start of the first year of their studies. All party members will of course receive credit for all previous military service.

How Much an Officer Earns

Officers draw a monthly salary the amount of which is based on their rank, their billet (function), and their length of service.

Here are three examples: an unmarried platoon leader in his 5th year of service with the rank of second lieutenant is paid 1,187 marks net. A first lieutenant with 6 years of service, a deputy company commander who is married and has two children, will get 1,532 marks. There are certain additional financial benefits, e.g., married career officers whose spouses do not yet live on the military post area are paid a monthly separation allowance of 60 marks. There are further benefits based on skills and performance and on special conditions, e.g., great physical stress.

Career Officer Development

Preparation

Apply by 31 March in 9th school year. Completion of 10th year of secondary school.

Education scheme A: comprehensive secondary school; graduation (Abitur) (2 years). B: Vocational training plus Abitur (3 years). C: Vocational training as skilled worker (2 years), training for attainment of higher education entrance levels (1 year).

Training

Student at officer training school in GDR (4 years) or in fraternal socialist countries (5 or 6 years) or as an enlisted career officer candidate at a civilian university or college (4-5 years).

Field Service

Assignment as platoon leader or similar function. Advancement to higher billets. Completion of studies at a military academy or of academic or other programs.

Civil Defense Medical Training for Women Cited 23000166 East Berlin SCHUETZEN UND HELFEN in German Vol 9, No 2, 1989 p 9

[Article by Gerhard Herhold: "Good Planning Does the Trick; Schwerin Makes it Easy for Women Volunteers To Take Part in Civil Defense Training"]

[Text] In the Schwerin district most women civil defense volunteers are engaged in medical training programs. Everything is done to make it easy for them to take part in the training programs on a regular basis. On the district and kreis level the responsibility for this rests with the district and kreis public health physicians. In accordance with the guidelines put out by the GDR Ministry of Health, and the president of the German Red Cross in the GDR, they collaborate closely with the district and kreis secretaries of the Red Cross and are assisted in this endeavor by the civil defense chiefs of staff. Responsibility also rests with the factory managers who must see to it that the individual formations are fully staffed, that the leadership cadres and group leaders attend the training programs on a regular basis and that the programs themselves are conducted on schedule. In addition, an important role is played by the platoon leaders and their deputies.

In the preceding month of September the district authorities begin laying the groundwork to facilitate the participation of women volunteers in these programs during the upcoming year. A long-term review of the training level of the leadership cadres by the Red Cross district secretariat makes it possible to draw up qualification plans on schedule and to coordinate these plans with the district civil defense school. In October, the dates as well as the names of the cadres selected for attendance are transmitted to the kreis authorities. This is done even prior to publication of the annual plan because the factories need as much advance notice as possible to give the individuals concerned time off to attend the programs. This planning process which involves the district and kreis authorities as well as the factory management is of the utmost importance. In this connection, we might also mention the role played by the Red Cross instructors collective in providing elementary and advanced training for leadership cadres at the district civil defense schools. To make maximum use of the allotted time, the Red Cross has worked out a syllabus for all the program items. This information is contained on diskettes and thus readily available at all times.

Lieutenant Colonel Kurt Hoch, Schwerin's civil defense chief of staff, confirms both the training schedules and

themes which form the basis for socialist competition within the civil defense system. Organizational matters are only one part of it. Hoch calls attention to the ideological aspect. "The primary responsibility of the platoon leader is to inform all members of the formation of the job to be done and to motivate them in their readiness to help others at all times and to acquire the skills necessary for the protection of human life and health. Each woman volunteer, after all, has a family," Hoch says. "For this reason, the participants need to coordinate their schedules with their families and friends with regard to child care or care for family members and with their workers collectives with regard to changes of shifts. It is a constant political-ideological task to assist the leadership cadres on these matters."

As a consequence, a kindergarten/child care center is open in Schwerin at times when female staff members take part in comprehensive training exercises.

Most of the factory managers and social staff provide assistance to the platoon leaders and medical personnel which no doubt is the principal reason why 94 percent of the formations are at the optimum level of operational readiness. Jutta Messer, medical platoon leader at the Klement Gottwald Works in Schwerin says: "Our factory civil defense chief of staff approves my training plan on behalf of our director. All leadership cadres report to the director every quarter on their problems, particularly on personnel problems but also on attendance at the training programs. We have had some very fruitful exchanges with medical assistants who have been out because they had a baby or went back to college and have then been able to reintegrate them in the formations. The civil defense staff approved our suggestion not to schedule comprehensive exercises during the spring and fall breaks out of consideration for women with school age children. As a faithful reader of SCHUETZEN UND HELFEN, I am wondering how I might follow the Dresden example and institute a practical training program for our medics at hospital emergency rooms. The factory would support us if we did." Inge Fuhrmann, platoon leader in the Schwerin barbers and beauticians production cooperative medical platoon, says: "I have had a good leadership collective for years. We coordinate all our programs with Heinz Wendland, our chairman, and the foremen's section leaders. As barbers and beauticians, we schedule our comprehensive training exercises by switching workloads on Tuesdays and Wednesdays which are our slow days." Wera Wilke, platoon leader in the SGB (socialist wholesale enterprise) Textilwaren Grabow in Ludwigslust kreis, says: "When someone asks about the German Red Cross where I work, the answer will invariably be: You are probably referring to the medical platoon. The basic unit and the medical platoon are one and the same. We coordinate fully with the factory management and jointly evaluate the results of the competition and give credit where credit is due."

The Wittenberge sewing machine plant as well as the Schwerin furniture plant and the Schwerin retail trade HO [Trade Organization] have come up with a

good idea in that they use their own summer camps for children to conduct comprehensive operational medical training programs for the medical formations. To be sure, support in some of the factories leaves something to be desired. At the Wittenberge railroad repair yards, for example, too little attention is paid both to the medical platoon and other operational units. While the management of the Guelzow plant cultivation institute does see to it that the authorized strength of the medical platoon is maintained, it does not do enough to motivate the women and girls for their humanitarian task.

The new training program for leadership cadres of the medical formations of the GDR Red Cross takes the special needs of women civil defense volunteers into account. The decision to divide the 3-week program up into 2 weeks of training or 1 week of advanced training has been a success during the past 5 years at Schwerin district civil defense school.

Military Careerists Still Required for Future
23000160 East Berlin VOLKSARMEE in German
No 14, 1989 p 7

[Answer by Colonel Guenter Tischendorf of National People's Army (NVA) Political Main Administration to reader Torsten Eckardt's question: "Does the Military Profession Have a Future in Our Socialist State?"]

[Text] Let me say at the outset that it is perfectly understandable that this question should be of concern to young people, e.g., our female and male comrades poised at the outset of their military careers—particularly those who have decided on a training program as career NCO's, warrant officers, or officers and/or those whom we would like to persuade to embark on such an eminently crucial career. As is well known, we are talking about a decision which commits an individual to at least 10, 15, or even 25 years of voluntary active military service. Anyone making such decision would obviously want to know something about the social necessity for military careers in our country in the nineties and beyond the year 2000. The answer can only be that we will still need class conscious, well-versed career NCO's, warrant officers, and officers who are committed to safeguarding socialism and peace.

Our workers and peasants state will exercise its sovereign right to reliable military protection of its socialist achievements in keeping with the concrete requirements of the situation and as long as the situation demands it. As Marxists, we are sufficiently realistic to prepare for decades of military service for peace at a minimum until the supreme goal of the military doctrine of the Warsaw Pact member states has been achieved, i.e., to put an end to all types of war forever. The imperialist social system will continue to exist for a long time, characterized by its mad scramble for huge profits and its socioeconomic root causes of expansion and aggressiveness. We have no illusions about the possibility that the most reactionary imperialist forces bent on military superiority, threats

and blackmail will disappear from the face of the earth today or tomorrow—the more so, since NATO has arms programs underway which extend far beyond the year 2000 about which the mass media report almost daily. For this reason, we will continue to hold to the iron principle which has stood the test of time for the past 40 years, i.e., our defense capability must at all times be commensurate to the level of the NATO military threat. The present decision on unilateral disarmament of the socialist armed forces; the pursuit of the zero option as part of the disarmament process by our socialist peace state together with our allies and the insistence of the Warsaw Pact countries in Vienna on radical reductions in conventional forces does not signify a reduced role for

the socialist armed forces by any means. On the contrary. For a long time the watchful, reliable, and efficient service by the members of our Army, by our border troops, and our civilian army employees will be an indispensable prerequisite for progress toward the solution of the fundamental issue of our time, i.e., the preservation of peace. The declared enemies of disarmament and detente must be kept in check on the long and arduous road to a world without weapons. As Comrade Erich Honecker said at the 7th session of the SED [Socialist Unity Party of Germany] Central Committee, this makes it incumbent on "all social forces...to assume increased responsibility for recruiting and training the next generation for military careers."

INTRABLOC

Leading GDR, Soviet Economists on Labor Productivity

23000159 East Berlin

WIRTSCHAFTSWISSENSCHAFT in German Vol 37,
No 4, April 89 pp 481-86

[Article summarizing the proceedings and listing participants of the 13th Session of the Joint Commission of Economists from the USSR and the GDR. Conference theme: "Applying The Results Gained From the Scientific-Technical Revolution to Increase Labor Productivity."]

[Text] The 13th Session of the Joint Commission of Economists from the USSR and the GDR of the Academies of Sciences (USSR/GDR Commission of Economists) took place in Berlin from 12 to 18 December 1988. In an atmosphere of bonds of friendship, proven over many years, leading economic scientists of the USSR and the GDR discussed topical tasks and means of increasing labor productivity on the basis of the results of the scientific-technical revolution.

In the papers and contributions to the discussion by the members of the Soviet delegation, the focal point was tasks and problems to be solved in the Soviet Union in implementing the resolutions of the 27th CPSU Party Congress and the 19th CPSU Union Party Conference on restructuring the Soviet economy. The major paper and the discussion contributions of the GDR side of the commission, based on the resolutions of the 11th SED [Socialist Unity Party of Germany (GDR)] Party Congress and the documents of the 7th Session of the SED Central Committee, presented latest experiences and insights, particularly regarding the further perfecting of the system of management, planning and economic accounting in the GDR economy in accordance with the resolute implementation of the SED's economic strategy to the year 2000.

Particular importance was given to the complex connections between scientific-technical progress, the development of productive forces, more rapid application of modern key technologies, high labor productivity, and the thereby growing possibilities of economic and social development.

The course and results of the 13th Session of the USSR/GDR Commission of Economists fully corresponded to the statement made by Erich Honecker at the 7th Session of the SED Central Committee at the beginning of December 1988 that, with basic agreement on the goals and tasks, the diversity of forms and ways of shaping socialist societal order is growing further, thus imparting greater importance to the comradely exchange of opinions and experience.¹ This exchange of opinions and

experience was initiated at the 13th Session of the USSR/GDR Commission of Economists by the keynote addresses by both sides of the Commission which were later published.

Based on these keynote addresses, members of the delegation from both sides of the Commission had prepared a total of 25 written contributions to the discussion.

The Soviet side placed particular importance on factors to increase labor productivity, such as work motivation of working people, determination of the socioeconomic potential of fundamental achievements of the scientific-technical revolution, acceleration of innovation processes, the growing role of the subjective factor in accelerating scientific-technical progress. In addition, Soviet participants in the session addressed in the discussion complex problems such as greater consideration of the socioeconomic factors of the growth of labor productivity, improving utilization of the labor force potential, utilization of all forms of ownership for increasing the effectiveness of societal production, restructuring the production conditions in agriculture as well as perfecting the economic mechanism of socialist economic integration, and increasing the effectiveness of cooperation of socialist countries. Also emphasized was the need for broadening and deepening basic economic research for the theoretical penetration of newly developed questions of socialist economic management.

Among other things, the Soviet economists also paid attention to the following nexus of problems: the general sociological and concrete-historical approaches to labor productivity, measuring labor productivity and the precepts of its dynamism, the role of prices in gauging scientific-technical progress, as well as selected questions regarding application of the "labor productivity" index under present conditions.

The GDR delegation stressed above all the decisive role of the combines as the backbone of the GDR socialist planned economy, particularly from the aspect of shaping a modern, computer-assisted socialist combine and factory management. The following complexes of problems were especially emphasized in their discussion contributions:

- Labor productivity and new quality of economic growth;
- the active role of socialist production conditions for developing productive forces;
- developing the initiative of workers in the process of further shaping socialist democracy as a condition for increasing labor productivity;
- labor productivity and key technologies;
- flexible automation and increasing labor productivity;
- complex, universal CAD/CAM solutions as the decisive basis for great growth in labor productivity;
- social goals and conditions of automation;
- labor-scientific tasks and solutions in preparing and

- applying flexible automation;
- ways of saving human and mechanized labor in intensively expanded reproduction;
- relations between increasing effectiveness and increasing labor productivity;
- the influence of socialist economic integration on increasing labor productivity;
- tasks and ways of increasing labor productivity in the comprehensive intensification of agricultural production in the GDR;
- the influence of regional reproduction conditions and regional organizational forms on the level and development of labor productivity;
- socialist planned economy, labor productivity, and modern information and communications technologies.

The conferees had the chance to inform themselves at the Central Institute for Socialist Business Administration of the SED Central Committee on the latest developments in the area of practical application of modern information and communications technologies for perfecting the system of management, planning and economic accounting and computer-assisted socialist combine and factory management. Focal points were developments in the following areas:

- Computer-assisted economic analytical activity and analytical preparation of performance comparisons within and between combines;
- software modules for computer-assisted management information systems within the framework of computer-assisted socialist combine and factory management;
- universally computer-assisted systems of planning, accounting and decisionmaking preparations at several managerial levels (State Planning Commission - Council of Ministers - combine - factory);
- computer-assisted models of economic reproduction flows with long-term precalculations of economic developments;
- computer-assisted optimizing of production-transport chains on a nationwide scale (optimizing transportation of solid fuels);
- computer assisted application of the complex method of linear optimizing to determine possibilities of increasing performance and lowering expenditure at the level of socialist combine and factory management.

At this meeting, the focal points of an intensive scientific exchange of opinions were above all the following nexus of subjects:

1. The role of scientific-technical revolution in today's world and the present central questions of an organic linking of the advantages of socialism with the achievements of the scientific-technical revolution;

2. Increasing labor productivity and raising the effectiveness of societal production through comprehensive intensification as the prerequisite for all further economic and social policy developments in shaping the developed socialist society;

3. The most effective economic forms of combining science and production, and the prerequisites of noticeable acceleration of the renewal processes of products and technology;

4. The shaping of the system of management, planning, and economic accounting and its effect on increasing labor productivity;

5. The complex connections between the further development of socialist democracy, the movement of socialist competition, and the resolute implementation of the performance principle on the one hand, and the increase of labor productivity on the other;

6. Increasing the effectiveness of socialist economic integration through the development of new forms of cooperation.

In dealing with these thematic complexes there was complete agreement on both sides of the Commission of Economists that intensification of societal production within the framework of socialist planned economy is the main means of increasing labor productivity, and that acceleration of scientific-technical progress plays a decisive role in it.

The delegation of the USSR side of the commission to the 13th Session of the USSR/GDR Commission of Economists was headed by Prof Dr W.N. Kashin, deputy of the Academic Secretary of the economic sector of the USSR Academy of Sciences, and by deputy chairman of the USSR side of the Commission of Economists, Prof Dr L.I. Abalkin, member of the Academy and director of the Institute for Economics of the USSR Academy of Sciences.

The Soviet delegation further included: Dr R.A. Abdu-lin, Department of International Relations of the CPSU Central Committee; W.S. Bulanov, Department of Sciences and Educational Institutions of the CPSU Central Committee; Prof Dr W.P. Loginov, deputy director of the Institute for Economics of the USSR Academy of Sciences; Prof Dr W.M. Shastitko, deputy director of the Institute for the Economy of the Socialist World System of the USSR Academy of Sciences; Prof Dr W.G. Kostakov, director of the Economic Research Institute of the USSR State Planning Commission; Prof Dr W.G. Lebedev, director of professorates at the Academy for Social Sciences of the CPSU Central Committee; Prof Dr J.W. Yakovez, director of professorates at the Academy for Economics of the USSR Council of Ministers; Dr A.I. Archipov, deputy editor in chief of the journal WOPROSSY EKONOMIKI; Dr F.G. Gurvitch, deputy editor in chief of the journal EKONOMIKA I

MATEMATITSCHESKIJE METODY; Prof Dr D.N. Karpuchin, department head in the Institute for Economics of the USSR Academy of Sciences; W.M. Segal, scientific secretary for international relations of the Institute for the Economy of the Socialist World System of the USSR Academy of Sciences; Dr A.I. Strachov, secretary for the basic organization of the CPSU of the Institute for Economics of the USSR Academy of Sciences; W.F. Vardul, Institute for Economics of the USSR Academy of Sciences, scientific secretary of the USSR side of the Commission of Economists.

The delegation of the GDR side of the commission was headed by its chairman, Prof Dr Dr h.c. H. Koziol, member of the presidium of the GDR Academy of Sciences and director of the Central Institute for Socialist Economic Management of the SED Central Committee (ZSW). As members of the GDR delegation of the USSR/GDR Commission of Economists, the following also participated in the consultations: Prof Dr K. Hartmann, first deputy rector of the "Karl Marx" Party college of the SED Central Committee and director of the Department for Political Economy and Economic Sciences; Dr E. Schmidt, department of sciences of the SED Central Committee; Prof Dr Dr h.c. G. Friedrich, member of the GDR Academy of Sciences and deputy director of SED; Prof Dr E. Garbe, director of professorates at the economic sciences department of the "Carl Schorlemmer" Institute of Technology in Leuna-Merseburg; Prof Dr W. Heinrichs, member of the GDR Academy of Sciences and director of the Central Institute for Economic Sciences of the GDR Academy of Sciences; Prof Dr W. Kunz, corresponding member of the GDR Academy of Sciences and deputy director of ZSW; Prof Dr H. Kusicka, director of the research department of the GDR Ministry for Science and Technology; Prof Dr H. Nick, head of the research section at the Institute for Political Economy of Socialism of the Academy for Social Sciences of the SED Central Committee; Prof Dr W. Ostwald, director of the head research office for regional planning of the State Planning Commission; Prof Dr E. Prager, director of the Institute for Political Economy of Socialism of the Academy for Social Sciences of the SED Central Committee; Prof Dr W. Salecker, head of the "Economic-Mathematical Methods" group of the ZSW and scientific secretary of the GDR side of the USSR/GDR Commission of Economists; Prof Dr agr. H. Schieck, vice president of the GDR Academy of Agricultural Sciences; Prof Dr G. Scholl, director of the Economic Research Institute of the State Planning Commission; Prof Dr H. Schneider, director of the "Fritz Heckert" trade union college; Prof Dr H. Steeger, rector of the GDR Academy for Political Science and Jurisprudence; Dr G. Vogel, head of the office of the Scientific Council for scientific economic research of the GDR Academy of Sciences; Prof Dr G. Winkler, director of the Institute for Sociology and Social Policy of the GDR Academy of Sciences.

The opening meeting of the 13th Session of the USSR/GDR Commission of Economists was attended by guests of honor Prof Dr G. Schirmer, deputy director of the

sciences section of the SED Central Committee, and Dr H. Warzecha, director general of the VEB [State Enterprise] machine tool combine "7 October."

Participating with written contributions only were: Prof Dr H. Hanspach, director of the Central Research Institute for Labor at the GDR state secretariat for labor and wages; Prof Dr K.I. Mikulski, deputy director of the Institute for the Economy of the Socialist World System of the USSR Academy of Sciences; Prof Dr N.J. Petrákov, deputy director of the Central Institute for Economic-Mathematical Methods of the USSR Academy of Sciences.

The delegation of the USSR side of the commission paid a visit to the parent company of the VEB machine tool combine "7 October." Within the framework of a factory inspection and a talk with the director general of the combines, the delegation was informed in detail about concrete measures for constantly perfecting the system of management, planning, and economic accounting at the level of combines in the GDR. It was demonstrated how purposeful application of key technologies had led to increased productivity and effectiveness.

For the 14th Session of the USSR/GDR Commission of Economists, to take place in the USSR in 1989, the theme "Topical Questions of Intensification of Societal Production" was agreed upon.

The participants in the 13th session were presented with a draft, developed by both sides of the commission, of a program for the development of cooperation within the framework of the USSR/GDR Commission of Economists to the year 2000. This joint program, whose final version is to be affirmed at the 14th Session of the Commission, stipulates that the activity of the Commission of Economists in the 1990's is to concentrate above all on the three major directions of economic science research:

1. The further shaping of the economic theory of socialism, taking into account the experiences of the 20th century;
2. The outlook of USSR and GDR economic development to the year 2000, including the theory and practice of intensively expanded reproduction; comparative analyses of the structures of the economies and their systems of management, planning, and economic accounting; dissemination of progressive experiences and other questions;
3. The internationalization of economic life and scientific-technical and economic cooperation between the USSR and GDR.

These major directions are specified more precisely in the draft of the program of cooperation to the year 2000 in 30 complexes of topics and can thus constitute the framework for cooperation between USSR and GDR economic scientists, which will deepen further in the 1990's.

Thus the subject, course and results of the 13th Session of the USSR/GDR Commission of Economists proved to be an important step for further deepening mutual understanding and cooperation of the economic scientists of both countries in accordance with the fraternal bonds between the Socialist Unity Party of Germany and the Communist Party of the Soviet Union.

Footnote

1. Compare the 7th session of the SED Central Committee, "Mit dem Blick auf den XII. Parteitag die Aufgaben der Gegenwart loesen," [To Solve the Tasks of the Present with a View to the 12th Party Congress], from the Politburo report to the SED Central Committee, reporter: E. Honecker, Dietz Publishing Company, East Berlin 1988, p 10.

CEMA Reform Efforts Stalled; Multifaceted Cooperation Needed

26000437b Warsaw ZYCIE GOSPODARCZE in Polish No 8, 19 Feb 89 p 8

[Article by Piotr Cyburt: "Unknown Reforms"]

[Text] The need to radically reform the mechanisms of economic cooperation among the socialist countries is obvious today. Without extensive changes in this area, it will not be possible to accelerate the integration processes or reverse the trend of stagnation, which has been evident for several years, in mutual trade, cooperation and the realization of joint programs concerning cooperation that have been adopted earlier. These and very similar evaluations have been enunciated in talks commemorating the 40th anniversary of CEMA. An outline of propositions has emerged from these talks about what CEMA should do to meet the challenge of the future. Among other things, these propositions concern changing the principles for determining prices, implementing currency convertibility, a new system for settling counterclaims, expanding direct collaboration among enterprises and the creation of a common Eastern European market, the ultimate goal. No matter how these propositions finally generate a cohesive and expanded concept, the implementation of some of them could provide the impetus for expanding economic cooperation among the socialist countries. However, considering the time that has elapsed since the Council's 43rd and 44th sessions, the realization of these propositions, to say nothing of their implementation, is proceeding very reluctantly.

As a result of this, the question arises: Why is this happening, and over the next several years will internal and external conditions permit the mechanisms and principles of cooperation among the countries belonging to CEMA to be revamped in a fundamental way?

Below, at least in part, I will attempt to find an answer to this question.

Internal Factors

In practically all the socialist countries, the economic situation is quite complicated. While it is true (according to preliminary evaluations) that national income grew about 4.2 percent in 1988, that is, over twice as fast as in 1987, the growth rate is less than planned. In most socialist countries (Bulgaria, Romania, Poland and the USSR but not in Hungary and the GDR), the domestic market imbalance has increased or has started to become imbalanced (Czechoslovakia). One of the effects of these trends is that tariff regulations have become more stringent in order to protect domestic consumers. Though it is emphasized that this step is of a temporary nature, its significance is unequivocal, and in no way does it serve to propagate the concept of free movement of people, goods and capital among the socialist countries; it does just the opposite.

Inflation has increased in Bulgaria, Czechoslovakia, Poland, Romania and Hungary. This has come about, on the one hand, because of insufficient growth in supplies and, on the other hand, because of excessive wage increases that were not based on increased productivity. In Hungary the inflation rate reached 15 percent. In the USSR and Czechoslovakia, where official methodologies (and thus official data on price increases) do not yet exist, some economists unofficially estimate the inflation levels to be 4-6 percent and 6-8 percent, respectively.

The external imbalances of the socialist countries have also worsened over the past several years. According to European Economic Commission data, at the end of 1987 the net debt of this group increased by \$38.7 billion to about \$101 billion. During the 1984-87 period, Bulgaria's debt increased from \$0.7 billion to \$4.8 billion; Czechoslovakia's—from \$2.1 billion to \$3.6 billion; the GDR's—from \$7.1 billion to \$9.7 billion; Hungary's—from \$7.3 billion to \$16 billion; and the Soviet Union's—from \$14.2 billion to \$25.3 billion. Only Romania managed to decrease its debt—from \$6.6 billion to \$4.5 billion. However, Romania's debt reduction strategy would be difficult to emulate in any other country. But new credits were not the primary reason for the increased debt (new credits amounted to only about \$5 billion). The increase was brought about mainly by the depreciation of the dollar and the postponement of payments on some Polish and Hungarian debts. Due to the appreciation in 1988 in excess of 10 percent of the dollar against the yen and mark, this debt should decrease somewhat—to about \$99 billion. The situation does not change radically if one considers the fact that

recently the Soviet Union concluded an agreement to borrow over \$10 billion more. Even though this country, as indicated by experience, will probably make good use of this line of credit, now about 20 percent of its earnings from exports to the West will have to be allocated for debt payments. This share is much larger for the other countries, especially Poland and Hungary.

Debt payments make it necessary to increase exports to the West, which is the goal of many projects initiated in the socialist countries. After all the volume of exports will determine not only whether or not the debt load will increase but also import capabilities. Unfortunately, import needs are far from completely satisfied. This also has not changed last year, a year in which exports to the West showed good results. The volume of exports increased about 6 percent for the smaller socialist countries and 12 percent for the Soviet Union. Imports remained practically unchanged, which also affected internal equilibrium in a fundamental way.

Economic reforms have been introduced in some of the socialist countries. If one looks at the entire socialist bloc, one observes that 1) interest varies among the individual countries in reforming their own economic systems and in being aware of the need to take such actions, and 2) those countries that have decided to reform agree only on general goals and directions but often completely disagree on specific solutions. The extent of the reform processes and the scope of their promotion also differs. With this in mind, it is difficult to believe that it will be easy to coordinate the basic changes in the functioning of the mechanisms for economic cooperation. Regardless of this, the rapidity and effects of restructuring the Soviet economy will be of key significance for reforming CEMA. Today one can already see that this is an enormously complicated task that is encountering many obstacles and which is, by its very nature, long-term. In all its aspects, it is much more complicated than the leading Soviet economists initially projected. This was acknowledged indirectly over 2 years ago by Professor L. Abalkin in his FINANCIAL TIMES interview in which he stated that perestroika will prove successful by the year 2000. At the time he was called a pessimist. Now, when he states the same thing, he is called an optimist.

Political reforms are accompanying economic reforms. It is only natural that various types of pressures and disputes are arising and will arise along the way. This has been confirmed over the past several months. It is sufficient to mention the attempts in Poland and Hungary to include internal opponents in the political systems or the manifestation of nationalism conflicts in the USSR. Increased political pressures over the next several years in other areas of the bloc should not be ignored. Government officials in these countries who are aware of this will focus their attentions on averting such tensions and attempt to introduce political as well as economic

reforms as painlessly as possible. They will have to continue to combat old habits, pressures of various interest groups and conservatives who openly, more or less, oppose changes.

Summarizing, I believe that the complicated economic situation in the socialist countries, which are absorbed with internal economic and political reforms as well as the arising tensions associated with these reforms, can precipitate an alternate plan of resolutions of problems associated with the restructuring of CEMA. It is possible that the solution to this problem will, under less favorable conditions, be deferred and that the problem will be addressed when the political and economic reforms are beyond the crisis stage and the economic situation improves.

External Factors

Let us investigate further how the possibility of reforms in mutual economic cooperation can be influenced by external conditions, that is, the processes and events occurring in the world economy and politics.

During the 1987-88 period, despite many contrary prognoses, the gross national product (gnp) growth rates of the highly developed countries accelerated. In 1988 gnp reached 4.25 percent. This had a favorable effect on world trade, which in the last 2 years grew 5 percent and 8-9 percent respectively (OECD estimates). Simultaneously, the price of oil fell (about 25 percent over a period of a year) as well as the price of coal and natural gas. There is much to indicate that the trend of lower prices for energy sources will continue for the near future. Once more, the terms of trade for the socialist countries, especially the Soviet Union, grew worse.

A phase of unrelenting growth, though somewhat slow, has been going on in the highly industrialized countries for quite some time, since the fourth quarter of 1982. One can expect this growth to end in the next couple of years, decelerating the gnp growth rate or even causing a recession, which will also slow down international trade. Inflation as well as interest rates could also increase. The value of the dollar could also fall further, as some American economists predict.

With regard to the debt obligations of the socialist countries and the resulting need for them to maximize their income from exports, such a development of events is not favorable for these countries. Experience and much research indicate that the socialist countries do not fully utilize the opportunities engendered by increased international trade because of outmoded economic structures and inability to adapt and, what is more, they lose incomparably more than others during a recession.

The socialist countries face many unknowns with the creation in 1992 of a common market for Western Europe. Its creation will not automatically abolish protectionist barriers now existing in Western Europe. On

the contrary, these barriers may even increase temporarily. In addition, competition in the Western European market will increase sharply. Above all, the large enterprises, those having significant market shares, much experience and the capability to act, will have the best chance of being victorious. Already they are preparing for the changes that 1992 will bring. As of now, East Europe does not have such worldwide or even European-wide enterprises.

For the present, the Western European market is the most important western market for the socialist countries. Thus, it is not surprising that after the declaration establishing relations among the EEC and CEMA was signed, CEMA-member countries began to compete during bilateral negotiations with the EEC to obtain the most advantageous conditions for cooperation. Thus far, the Hungarians did best. The extensive 10-year agreement on economic cooperation that they signed calls for abolishing limitations of exports to Western European markets of Hungarian industrial products and agricultural products within 7 and 10 years, respectively, from the signing of the agreement. EEC representatives do not deny that none of the remaining socialist countries will obtain such favorable conditions in the near future. This is one of the elements used by the West in their policy of "differentiation" in relations with the countries of Eastern Europe. Hungary is highly regarded in the EEC because of its advanced economic and political reforms.

The 4-year agreement with Czechoslovakia initiated at the end of last year concerns only industrial products and does not encompass, from the EEC side, specific concessions allowing the export of a greater variety of Czechoslovak goods to the Western European market. The Soviet Union, which is interested in signing the most extensive agreement possible, has concluded preliminary talks with EEC representatives. Preliminary talks have also been concluded by Bulgaria, Czechoslovakia, the GDR and Poland. Romania signed an agreement with the EEC in 1980. However, because the declaration on concluding EEC-CEMA relations has not been signed and Romania's internal policies regarding its national minorities, Romania is treated with considerable reserve and will probably have to renegotiate the principles of cooperation.

I am purposely writing more extensively about the economic relations of the socialist countries with the EEC because, with the passage of time, they will become increasingly more significant so long as the political climate of detente in East-West relations is maintained. After all the building of a "common European home" could encompass, of course, the economic as well as political spheres. In view of their geographic proximity, many cheap resources, relatively well qualified workforces and millions of consumers, the socialist countries are a natural "uncovered" market. Considering the forthcoming integration processes between the United States and Canada, the increasing economic cooperation

in the Pacific Basin Region, and the systematically shrinking market, the socialist countries can be a desirable partner for Western Europe.

It will not be possible to modernize the economies of the socialist countries without modern technology, industrial goods and capital-credit support from the West. The EEC countries can satisfy this need. The first indications of such an approach appeared last year. Among the approximately 200 joint ventures registered in the Soviet Union in 1988, about 80 percent involved Western partners, mostly Western European firms. Lines of credit were offered to the Soviet Union mainly by Western European financial institutions, which generated concern and displeasure in the United States and the comment that "Western Europe is prepared to finance perestroika." During the final months of last year, in the lobbies of EEC, and during various political meetings, and in the press, once again the question of a new Marshall Plan for Eastern Europe was discussed. Italian Premier Ciriaco De Mita, among others, supports this initiative. It should be added, and the West does not deny it, that such help would be linked with progress in democratizing political life in the socialist countries and guarantees that the offered funds would be used effectively. It also is a significant fact, as reported by the Bank for International Settlements, that the socialist countries are the only group of debtors that in recent years received more in the form of credits was repaid to their creditors.

In the process of reforming and opening up some of the economies of the Eastern European countries, Western Europe, for the reasons mentioned above, can be a more interesting partner in economic cooperation for individual CEMA countries than their CEMA partners to date. In association with this, the member countries of CEMA will try individually to obtain the most advantageous opportunities for bilateral cooperation with the EEC, just as they began to do last year. Naturally, this will pay less attention to the problem of mutual collaboration.

Such are the objective conditions for introducing rapid and extensive changes in multilateral cooperation among the CEMA countries. This brief analysis indicates that they do not facilitate such an undertaking, and it appears that this has been confirmed in the time period that has elapsed since the 43rd and 44th CEMA sessions, where the need for reform was discussed. The small-steps method remains, and in wanting to stimulate mutual relations, some countries are trying this method.

Strict Tariff Regulations Hinder CEMA Integration

26000437a Warsaw RYINKI ZAGRANICZNE in Polish No 12-16, 4, 7 Feb 89 p 2

[Article by jz: "'Tariff War' Hinders CEMA Integration"]

[Text] The introduction of stringent customs regulations in 5 European CEMA countries, applicable especially to the tourist trade, is not good publicity for the integration

process in the socialist camp 40 years after the establishment of the camp. The chain reaction of the protectionist moves in CEMA that were initiated by Czechoslovakia has engendered much rancour and mutual ill-feelings, but the economic results are doubtful.

The new tariff regime applicable to the tourist trade operates in three areas. Some goods in general are not allowed to be taken out by tourists and those in transit. Very high, almost prohibitive export duties are assessed on other groups of goods. In addition, the permissible value of gifts that can be taken out by a tourist is limited. Some countries have also changed the import regulations for residents with regard to importing and exporting goods.

The primary motive for introducing these tariff restrictions is to limit tourist purchases. Lately these purchases, which have been going on for years, have increased dramatically, in some cases leading to increasing shortages of some goods. For example, during the first 8 months of 1988, about 400,000 color and black-and-white TV sets, 200,000 refrigerators and freezers, and 100 tons of coffee have been taken out of the Soviet Union over its western border. Even for the Soviet Union, with its large market and production potential, these are significant amounts. However, large amounts of cosmetics, hygienic goods, clothing, footwear and other goods sought in the Soviet Union have passed over this same border. The same situation, though on a smaller scale, is occurring in other CEMA countries.

The tariff restrictions implemented in the CEMA countries encompass a significant assortment of food products and consumer articles. In the weekly *IKO-NOMICESKI ZHIVOT*, Prof. Milcz Stojmenov reports that the scope of goods affected by the export limitations even exceeds the so-called basket of standard goods and services used to establish exchange rates for noncommercial payments.

Extensive restrictions are not the best way to improve the marketplace and the people's standard of living. These can be accomplished through mutual efforts and coordination of actions, and not outmoded autarkical and protectionist practices.

Kuwaiti Firm Eyes Investments in East Europe
26000437c Warsaw RYNNI ZAGRANICZNY in Polish
No 30, 11 Mar 89 p 4

[Article by (Habe): "Kuwaiti Investments in East Europe?"]

[Text] The director of the Kuwait Investment Authority [KIA], one of the richest investment firms in the world, said that Kuwait is considering the possibility of investing in East Europe. Fahd Al-Rashed, the KIA director, stated in his interview with Reuters that the new legal

regulations in that part of the world make investments possible. Right now the KIA is investigating possible investments in Hungary, Bulgaria and Yugoslavia.

The KIA controls that country's oil income. It is estimated that its financial resources amount to \$80 billion. It has been investing in Western Europe for years, investing capital in stocks, real estate and government obligations. Over a year ago, the KIA bought 21.6 percent of British Petroleum, which at that time was being privatized. However, the British government intervened (based on the law on monopolies and the grounds and that it was a threat to British national interests). Kuwait now owns about 10 percent of British Petroleum.

The interest in East Europe and China (the KIA is participating in China in production joint ventures) does not signify a reversal of traditional areas of Kuwait investments. The profitability of the new investments is still unknown. The KIA is striving to balance its investments geographically. Several years ago (more recent information is not available) Kuwait's foreign investments were located primarily in Western Europe (40 percent), and the United States (36 percent). It is surmised that lately Kuwait participation in the capital market of Southeastern Asia has increased because the KIA considers this region to be especially promising for the future.

CZECHOSLOVAKIA

Private Initiative, Rights, Responsibilities Viewed
24000129b Prague TRIBUNA in Czech
No 14, 1989 p 14

[Article by Dr Jaroslav Schulz]

[Text] CSR Government decree No 1/1988 of the Collection and SSR Government decree No 2/1988 of the Collection on merchandise sale and provision of other services by citizens have expanded possibilities for personal initiative in meeting the population's service needs. But given the lack of experience with these problems in our country there emerged certain unclear points even in the aforementioned legislation. They stem mainly from a relatively less comprehensive utilization of the systematic approach in its drafting.

In fact, expanding personal initiative in meeting the population's needs does not consist merely of granting the respective permits or determining the extent of the activity, but also in such systematic application of the control mechanism insuring that the performance of the permitted activities accords with the interests of the whole society. The services offered to the customer (regardless of whether a citizen or an organization) should assure him at least the same guarantees as those provided by socialist organizations in regard to quality, price and right to complain. The operator of a permitted

activity should also meet the requirements of professional skill and obligation toward society by (honestly) subjecting to tax the proceeds from his activity.

The following comments point out some of the basic ambiguities which are showing up in practice and effectively restrict a broader application of the aforementioned legal statutes.

Who, What, and How?

Initial differences of opinion emerge already in the process of licensing these activities. It is not clear what the proper designation should be for the holders of these permits. The government decrees do not use a definite term. The Brno slang for instance calls them "cinnostnici" [activity people] while in Prague they were "povolenkari" or "povolenci" [permittees]. Neither sounds very attractive. Perhaps one should reach for the old and established term "živnostník" [tradesman] which traditionally encompassed the obligatory and needed moral and professional qualities of one conducting a trade, as well as responsibility for the quality of the work performed and for relations with financial authorities. If we adopt the term "concern" or "combinant" then too we should have no difficulty with it.

There are also differences of opinion on what the permit holder can do and for whom. There is a very broad scale here, from the traditional short-supply services all the way to newly emerging ones (as for instance "dog hotels," "flower care" and also provision of "organizational-economic consultation" or "legal service to citizens in handling their affairs," and so on). Still unclear is the issue of vehicle transportation for passengers and freight. Is it really the fact that the relevant law precludes it, or can there be exceptions? Is it not ultimately also in society's interest to have these services provided by citizens? After all, every citizen licensed to perform services can use his own vehicle for this purpose.

A similar problem arises with the question to whom the permit holders may offer their services. According to the narrow interpretation it is in the first place to citizens and then to organizations providing material services to citizens. But it is not clear where the line is precisely drawn. Certain state enterprises carry on modernization and reconstruction of apartment housing without moving out the occupants. Is this a material service to the population, or not? The narrow interpretation thus hinders rational action; the state enterprise could farm out operations for which it lacks specialized manpower (for instance even preparation of the requisite organizational rules, rationalization of the organizational structure, and the like).

Nor is the authority of the National Committee entirely clear in regard to the granting of permits. According to some views the National Committee has exclusive authority where the activity is located. But the logic of the procedure suggests that it is necessary first to obtain

a permit for the activity and only then is it possible to look for a location. This line of argument would support National Committee authority according to the place of residence.

Are All "Permittees" Angels?

It is emphasized that permit holders enliven also the organized markets. Because there is no territorial restriction for carrying out the permitted activity, individuals from other locations are also active there. (Some head-scratching was over the question of whether or not a permit is restricted to the holder's republic.) Practice however shows that SSR permit holders are selling merchandise in the CSR without again applying for a permit there.

But in violation of the language of the two governments' decrees the purchasers are frequently not given receipts for the sale and the price of the merchandise, including even items costing more than 500 korunas. Nor is it clear how the price was set. Some sellers fail to display visibly a sign showing their name, the type of their permit and the extent of activity. Thus the consumer (buyer) is deprived of his basic rights to quality and price control involving the proffered merchandise, and also of his right to demand restitution if the item is subsequently found to be faulty. The restitution rules applicable to organizations protect the consumer from shady dealing. Hence also selling by private persons should provide information on who is selling, who issued the permit, the origin of the products, how the price was set and where restitution for faulty items can be requested.

Critics of the aforementioned legal statutes view them as "legalized moonlighting." That there is so far no mechanism in existence to control the quality of the service performed, their volume, proceeds and thus also the basis for taxation, rather tends to support such critical views.

Indeed, the people applying for permits display the most varied notions. They range from a genuine interest to contribute by one's own activity to increasing the effectiveness of our economy while at the same time achieving self-realization, all the way to notions of easy profit with minimal or zero tax obligation. Society's control over these activities remains the weakest area in practice. True, the legal rules provide for control by National Committees. But it is not clear which National Committee is responsible for this control, especially in view of the ever-growing number of traveling salesmen. Even though there is justified criticism of the steeply progressive taxation from a certain basic rate, it should on the other hand be evident that the operator must pay an appropriate tax.

Another shortcoming is the failure of the labor code to require those carrying out permitted activities alongside their main occupation to file similar reports as are obligatory in arranging a sideline work relationship or a

work contract agreement. This is of importance where the organization in which the permit holder has his principal job may find its own interest strongly affected. Practice has already shown such cases.

How To Protect the Permit Holders?

The lack of clarity in the legal statute also gives cause to complaints from permit holders. Even though the situation has cleared up somewhat, for instance with regard to social security, there is still no precise idea of a precise mechanism for conducting operations. It will be necessary to determine the most suitable system of vouchers, proofs, recordkeeping, and the like. Drawing an analogy with practices covered by the labor code is not quite appropriate, precisely because of the considerable mobility of the operators.

Applicants for activity permits also have difficulty comprehending the many regulations in effect, for instance in the statistical area (codifying activities according to the uniform work classification), in the pricing area (including the function of coordinating agencies), and so on. Nor is it quite clear how the administrative tasks are to be handled to be verifiable by all control organs, etc.

Absent also is a general manual for permit holders which would provide them with answers similarly as in the matter of labor law.

Many organizations (state enterprises) availing themselves of services provided by citizens believe themselves to be socially superior and entitled to alter or abrogate mutual relations unilaterally, without suffering any consequence. There have even been cases of evading timely payment of bills presented to them.

Risk coverage by insurance is also causing difficulties. It is necessary to examine the possible risks, their frequency and the probable amount of damage. Yet the National Committees when issuing permits make risk insurance mandatory. These are by no means simple matters. (For instance in the above-cited dog hotel there can be introduced of a contagious disease leading to the loss of a valuable animal, animals attacking each other or biting a human.)

It is also unclear what can be deducted from the income tax base, items such as travel expenses, food and lodging, transportation, and so on. For the future there is still no clarity with regard to depreciation of machinery and equipment the acquisition cost of which cannot be covered by a tax reduction.

Society's Interest Before All

If the expansion of personal initiative is limited by the interest of the whole society which is and will continue to be expressed by legal statute, then individuals as well as families should be clearly aware of what they can expect from their activities. If the wife's work is not accorded

the same status as the work of a companion or divorced wife and the proceeds are counted together for tax purposes, the burden may be considerable. Thus the operators should have a clear awareness of their duties as well as rights. Their duties should be equal to those of socialist organizations, augmented by the necessary flexibility and readiness. Yet their rights should be equally evident. "Businesses" will rise and fall according to how much need for them exists, and also according to the ability of the operators. Many will be successful—and many will fail. This will be the logical consequence of the *khozrazhet* principle. Hence it should also be a principle that proper rewards (as related to the average wages in industry and agriculture) should go to those who in the interest of advancing our economy will shoulder risks that are not borne by those employed by organizations.

For the discussion of the law on small-scale enterprise we thus see a number of questions which will have to be resolved in a definite and objective manner.

Reexamination of Bata Capitalist Management Proposed

24000129a Prague TVORBA in Czech
No 15, 1989 pp 4, 5

[Interview with Evzen Erban, deputy of CSSR Federal Assembly by Jan Hruby: "His Name Was Bata"; date and place not given; first two paragraphs are TVORBA introduction]

[Excerpts] The name you are reading in the titles was in its time synonymous with success. A meteoric success which had no peer in the conditions of a capitalist Czechoslovakia. Some time later this name became a synonym for ingenious exploitation of human labor. With this assessment, claiming to be "definitive," the name was consigned to the dead file. Was it really definitive? Let us reenter history asking this question.

Toward the end of the last century Tomas and Antonin Bata split off from their father's tiny business and founded their own shoemaking firm. For many years it barely kept afloat and each economic downturn pulled it down. But never so deep that it could not come up again. This was due to the founder's judicious decision to produce light and especially inexpensive canvas footwear. Expansion was triggered off by the first shots of the First World War. The agile Tomas who was the soul of the firm managed to win an order for the Austrian army. The success opened the way to bank credits, which in turn permitted large-scale investments. Tomas Bata made several visits to the United States where he purchased the most modern machinery and learned how to organize capitalist mass production. In 1931 his plants were converted to a stock company. In the aggressive fashion marking an adroit entrepreneur he swallowed up one competing firm after another. At the height of his glory he controlled 80 percent of Czechoslovakia's production. The firm's capital began to spill across the country's boundaries, and again with success. The Great

Depression of the 1930's did not leave the Bata firm unscathed; there were layoffs there too. Yet the firm survived, better capable than others to heal its wounds. [passage omitted]

[TVORBA] What was the foundation of Bata's success?

[Erban] His ascent led through cheap labor, modern technology, the opportunity of a world war, ingenious cadre policy, and extraordinary personal qualities. In his plants he drove labor intensification to the very limit of the possible. He did not hesitate to invest in studies which measured the worker's movements to the minutest detail. And according to the slogan that "time is money" he directed that specially adapted buses would shuttle between factory buildings which workers would board or jump off while in motion; failure to use them resulted in a fine. These and other measures enable him to liquidate any loss of work time. I do not believe that we should look admiringly to such practices. Labor intensity was high and brought with it premature exhaustion of assembly line workers.

[TVORBA] He approximated human labor to machine work....

[Erban] Something of the sort. Our goal is to rid labor of tedium, of a deadening automatism. Yet a search for ways of eliminating unnecessary losses of work time is instructive today as well.

The same goes for Bata's attitude toward criticism as an engine of progress. At noontime he used to mingle with workers at the work site and encouraged them to express critical views on any subject. He knew that a timely remedy saves money. An example? Once a worker said to him, "Boss, our shop is for animals, not for people." "Where do you work?" "In the rubber section." Bata found the criticism to be justified, and called in the section's director and the chief engineer. He told them to choose: an immediate dismissal, being reduced to workers under present conditions, or taking a month's leave to prepare a proposal for improving work in their section. They chose the third, and their proposal subsequently led to both improved work conditions and higher productivity. Bata granted the director a very high extra bonus and elevated the engineer to director rank. He was capable of criticizing himself as well. A case in point was for instance May Day 1929. Bata organized his own observance, always marching at the head of meritorious workers. After a minute of introductory remarks in which he allowed himself to be thanked for his efforts, he took the floor for a few minutes. He said, "This year's May Day is not as joyous to us as in the past years because in some sections we failed to achieve the wages we expected and the performance we set out to attain. The blame for this momentary lack of success rests on the plant management, but most of all on myself...." And what slogans were carried in the May Day march? Mainly those celebrating, even to excess, individualism in the sense that each is the architect of his happiness. To

wit: "The weak wait for happiness, the strong earn it"; "The world belongs to the strong," but also; "Customer satisfaction is our success," "All work deserves to be honored," "The best in the world is just good enough for us".... And after the May Day march he called in his colleagues who already knew that he would want to hear constructive responses to criticisms targeted on the firm in the May Day march organized by the Communist Party. He did not tolerate Communists and their ideas in the company, he sensed a danger, but a critique aimed at specific shortcomings or abuse he took very serious—even coming from Communists.

[TVORBA] Of course the ideology of Batism did not rest on slogans alone. He said once: "Our firm, listed in the books under my name though it may be, is in reality a cooperative enterprise. It is composed of small entrepreneurs who share in the profits of their sections and own capital participation in the firm. Already now our employees are the company's largest creditor and their share of capital is growing each year. It won't be long before most employees become the company's silent partners."

[Erban] That sounded nice. But the truth was that the firm belonged to him, and that the law was on his side rather than on the side of the thousands of "silent partners," even though he tried to compare himself with them. Bata took trouble to be regarded as the first among his workers. This was part of the image he liked to display in public, as was his wont to occasionally try out something on his own in the shops, to get his hands dirty, so to speak. He accorded no privilege to his son who had to undergo a regular apprenticeship, live in the common housing, and was allowed to spend only as much as he earned himself. Bata, who himself started from the bottom up, knew that a good manager must be thoroughly familiar with the work and thinking of those he is to manage. But let us return to your quote. The Bata system of a self-contained economic unit is well known. In it he made maximum use of a sizable portion of the remuneration fund, while at the same time turning his employees into consumers of the assets being created in his firm. In other words: a portion of the wages became a deposit in the employee's personal account. In this way Bata gained considerable investment funds without becoming beholden to bank capital. And the employee could have a feeling of capital participation. The fact is that in this way, too, Bata encouraged the employee's interest in the results of his section of the enterprise, because even if it was small money, it nevertheless showed in his account. On the other hand, the employee shared also in a loss. A faulty product or even a broken window was immediately reflected in his account. No, Bata certainly was not a capitalist-parasite like many others but rather a capitalist, I'd say, of a creative type. [passage omitted]

[TVORBA] Let's get out of history and into the present. What are all the things from Bata's entrepreneurial era that we should study?

[Erban] There are quite a few. Let's take, for instance, the system of providing family homes without fences, to be rented only to Bata workers for the duration of their employment with the firm. Or the system concerned with providing professional information to, and raising the qualifications of, workers, technicians and design staff. It would be a good idea to examine Bata's system of competition. He was critical of bureaucracy; it would be interesting to find out how successful he was. And let's note the system of controls, superiors providing an example, application of science and technology on the level which then existed. Other aspects worth studying would include Bata's educational facilities, relations with the state by which I mean the issues of taxes, investments, and the like. One has to make an objective judgment in which respects this system was asocial, what of it is acceptable or even desirable, and what is not in a socialist system. There exists a great deal of documentation, some of the Bata school graduates are still alive. Many of them have preserved their class consciousness and held, or still are holding, prominent office. In the history of Czechoslovak economy two enterprises have attained unique success. During the capitalist era it was Bata's firm, in the socialist era of the unified agricultural cooperatives it is the Agrokombinat Slusovice. Is it an accident that both have operated or are still operating in the same okres?

HUNGARY

Enterprise President Reveals Bankruptcy Causes
25000212b Budapest NEPSZAVA in Hungarian
22 Apr 89 p 4

[Article by Hungarian Steel Products Manufacturing Enterprise president Ferenc Sors: "We Are Going Broke in Secret—Or Why a Hungarian Industrial Enterprise Is 'Losing Money'"]

[Text] I turn on the radio and listen as someone says this: "...and enterprises which lose money must be liquidated." I am watching television as someone—a state secretary, banking expert, CC [Central Committee member—states: "...and enterprises which lose money must be liquidated." The cup ran over, however, when during one of the National Assembly sessions a veterinarian commented: "...and enterprises which lose money must be liquidated." At the end, however, he was decent enough to add that he was not competent regarding the subject matter, but some economist acquaintances of his briefed him to make this comment. I became suspicious: Does anyone in Hungary really know just why and for what reason an industrial enterprise suffers a loss, and whether it is truly a losing enterprise? Compared to what? In the present situation when the entire economy of the country is suffering losses, and when slowly it will become impossible to pay the credits we assumed, let alone the interests, it takes great courage to state that an enterprise constitutes a loss operation. At most it may be a loss operation according to the given economic regulators.

For this reason I will tell a story about the Hungarian Steel Products Manufacturing Enterprise, a story that could serve as a model. The enterprise always faithfully followed and implemented the prevailing economic policy principles. Unfortunately so!

In the near future our factory will celebrate the 100th year of its existence. Our main products are twist drills and automotive parts: valves and springs. Our enterprise is able to export its products; as a result of its high-quality products it was part of a pricing system based on exports, meaning that the domestic prices of our products were determined by the export prices. Since one cannot get rich on capitalist exports, domestic prices were also depressed. They remained at low levels and the Enterprise faced a difficult situation. On the other hand, enterprises with a similar [financial] profile experienced a favorable situation insofar as their profits were concerned: Their products could not be exported. As a result of their monopolistic situation they were able to continually raise their domestic prices, and were able to show respectable profits as compared to the Hungarian Steel Products Manufacturing Enterprise's few percent profits. The enterprise which manufactured products that could not be sold in capitalist markets, but instead only in Hungary benefitted.

At Least They Should Not Punish Us

Our Enterprise was unable to incorporate into its prices the ripple effects of growing material, energy, etc. costs, and as a result of the export follower pricing system it did not have an opportunity to raise prices either. Implementation of the 8 percent price reduction ordered in 1987 further decreased the Enterprise's profits. The fact that from the standpoint of wage management we had to change from the earlier wage level approach to the aggregate wage approach also created concern. Once again the enterprises that benefitted were the ones which while frustrating the intent of the decree employed very many so-called cotton workers, and when it came to changing over to the aggregate wage approach the dismissal of these workers placed them once again into a more favorable situation.

The business activities of enterprises were determined not by the efficient functioning of enterprises, but by decrees that changed daily. Thus, in qualifying enterprises it was not value producing labor that came to the forefront, but instead the situation created by bad decrees.

Our enterprise was struck by—probably not the last—disaster in the middle of last year when we prepared our semiannual balance sheet. Organs having jurisdiction imposed a retroactive 29 percent so-called socialist production tax on the enterprise. I think it is out of question that any product, including products manufactured for socialist exports, would include a 29 percent profit margin. At our Enterprise this tax created a situation in which we were unable to purchase the spare parts to

deliver on capitalist exports planned earlier. As a result of this tax the Enterprise, and thus also the people's economy forgoes capitalist exports amounting to 150-200 million forints, because the orders had to be cancelled.

The factory never requested subsidies, never asked for preferential treatment. It would be just decent if at least they would not punish us. It is incomprehensible to me why we are destroying an enterprise whose working cost index per dollar stands at 35 forints. To me it seems incomprehensible that this year they obliged us to pay an additional 19 percent tax penalty, while some firms receive significant preferential treatment in order to carry out their socialist exports, not to mention certain agricultural products for which the subsidy rate exceeds 200 percent. On this basis the question arises: Is it possible that the Hungarian Steel Products Manufacturing Enterprise with its 35 forint per dollar working cost index becomes a loss operation after paying the tax penalty, while another enterprise becomes profitable by virtue of the money withdrawn from the Hungarian Steel Products Manufacturing Enterprise?

Equally incomprehensible is the fact that some people dare express the view that losing enterprises should be liquidated. Who is the loser? In my view the inappropriate perspective, the pile of decrees that contradicts all kinds of international rules should be discontinued. Those in authority are aware of this fact, and therefore they promulgate their decrees in secret, and destroy the enterprises, if not the country as a whole, in secret. Our petition to forgive the tax penalty was rejected by the minister having jurisdiction. I find it tragic that enterprises which today would be perhaps suited to repay our foreign debt are being destroyed, and I find it untenable that from this money they are financing production which is irrelevant from the standpoint of repaying the 18 billion dollar debt.

By all means the income-producing ability of enterprises should be increased. In my view, had they forgiven the payment of the tax penalty, the factory's excess export would have provided an opportunity to reduce the amount of borrowing, thus reducing the burden of interest payments. In my view, by saving 50 percent of the interest payments, and returning the same to the Enterprise, the excess export could have been achieved.

The Odd Features of Financial Policy

In no country has it ever been feasible to boost the economy through restrictions, by holding the economy back, and by reducing consumption.

I cannot agree with those who tighten credit and the availability of money, and expect that tight monetary policies will boost the economy. To mention just one example: the problems experienced by the Hungarian Steel Products Manufacturing Enterprise in increasing its capitalist exports are not at all related to the market.

Our product is good, it can be sold at a good price. During the past two years we tripled our capitalist exports. The problem is that consistent with international financial practice our sales are consummated on the basis of 60-120 days payment terms. At the same time, according to a position taken by the Hungarian National Bank, above a certain amount of imports an enterprise is obliged to open a letter of credit, or to deposit the required funds. This represents a further tightening of money. Since capitalist exports involve the commitment of significant amounts of money and operating capital, the operating capital credit withdrawn from enterprises render the normal functioning of enterprises impossible.

True, come to think of it, most recent financial policies have produced a few, similarly odd, phenomena. Here I would mention that naughty brainchild of a few people who thought of subjecting citizens to the payment of customs duties not only upon reentering the country at the border, but also before, at the time they leave the country. The idea was rejected in response to the resultant outrage, but upon permitting their brains to rest they figured out why in hell should they take away the citizen's money when he is outward bound, at a time when they can stop that citizen on his way back and take away his money the same way. It is incomprehensible, why high government officials explain that they would not have thought that once people hold passports valid for travel to any country in the world, citizens would want to purchase items unavailable on this end of the road to Vienna, on the other end of the road, and thus take 5 billion dollars out of the country. To me the price increase in pharmaceuticals is incomprehensible, and then the more recent retreat on this matter, the distribution of poverty certificates, and a form of conduct by which today's bad decrees can be fixed tomorrow. The personal income tax was of this kind. The only purpose it served was for coal miners not to go underground, for the combine operator not to harvest the wheat, and for the worker to take his hammer and slam it to the ground. I am afraid that soon that hammer will be slammed somewhere else. Thereafter the person in authority will declare that the personal income tax system is not yet the real system, and that they will change it within three years.

Today Hungarians have the shortest life span in Europe, while at the same time they work an average of 14 hours a day. We have reached the point where in Europe Hungary stands alone with a higher number of deaths than live births. Some sociologists question whether the nation will live to see the middle of the next century.

Parliament casts votes concerning everything. It votes on how a person should not work, how one should strike, it votes on the issue of whether we should cast our votes in a standing position or while seated. There is only one thing Parliament does not vote on: how we should work, how we should repay our debts, and how we should motivate Hungarian industrial enterprises to accomplish

this. Because it is not the 18-billion dollar debt that is high. The 6.5 billion dollars worth of exports payable in dollars are too little. And in this regard this is what's so tragic.

We are talking about economic reform. It consists of having introduced enterprise taxation and personal income taxation, and of having liberalized part of our dollar imports. True, this matter is of no particular significance to industrial enterprises, and a few government officials gloat in saying that see, despite all this the industrial enterprises were unable to take advantage of the opportunities. Yes, they could not take advantage of the opportunity because most enterprises are short of funds, and soon there will not be enough capital for simple production. At the same time enterprises which import consumer goods have benefited, the ones that were able to import liberalized products to Hungary. We are liberalizing at a time when hospitals are experiencing shortages in funds set aside for imported pharmaceuticals, at a time when children are sent home from hospitals because of a shortage in pharmaceuticals.

The Sheep Must Be Fed

Whom do we want to compete with? With Western Europe? With Western Europe where our comparative backwardness amounts to several decades? They want the Hungarian Steel Products Manufacturing Enterprise to compete with a Western industrial firm where the oldest machine is 5 years old while in Hungary the youngest machine is of that age. The average age of our machinery is close to 50 years, one could also say that it belongs to the age of Dickens. At a time when credits are being withdrawn from enterprises being hit with a tax penalty? Is it at this time that they want us to compete?

Recently a visiting American delegation could not understand why the number of our maintenance workers is so high. The members discussed how matters like maintenance are handled over there: New machinery is purchased. For the following three years the manufacturing firm repairs the machine under warranty, and for another two or three years it enters into contract for repairs. Thereafter the machine is discarded. It would be good for us to reach the point where not a hundred persons would repair our 50 years old machines. This "competitive situation" is comparable to starting a world champion long distance runner with one who limps, is paralyzed as well as crippled. Then they fire the starting pistol: Now go ahead and compete! It is hopeless! To accomplish this, enterprises should not be punished. We should not take away their operating capital, we should let them live!

The great truth: If a country's citizens are wealthy, that country is wealthy. If a country has well-functioning enterprises, the entire country will function well. There are matters that can be taxed. Money, taxes can only be taken from places where there is money. One cannot collect taxes from places where there is no money. It

would be worth our while to pay attention to our mid-18th-century greatest East European "economist" who had already discovered that "the sheep must be fed if we want to shear its wool. Sheep can be skinned only once, and in the process the sheep will die." Her name was Maria Theresia. I would teach this fundamental rule of economics at the grade school level.

Parliamentary Committee Views Recsk Ore Mine Options

25000212a Budapest NEPSZAVA in Hungarian
14 Apr 89 p 4

[Article by "molnar": "A \$13 Billion Resource Under Water?"]

[Text] The National Assembly's Industrial Committee has sunk to a new low. Representatives yesterday visited the Recsk ore mine. The steel barrel took them about 1,100 meters under ground, in order to obtain direct information in the broad tunnels concerning the natural environment and the mood of workers there.

The afternoon committee meeting held in Recsk's cultural home was characterized by sober calculations. Industry minister Frigyes Berecz provided a sketch of official conceptions concerning the mine. The mine that has been consuming too much money while vegetating for years would either become a Soviet-Hungarian mixed enterprise, or a stock corporation established jointly with Western firms to profit from the ore resources. Alternatively, it could permanently cease to function as a mine. This means that Recsk would be shut down. The latter alternative would cost more a year from now than the 250 million forints allocated for purposes of the mine this year, but in the coming decade the state budget would free itself from a substantial expense item.

Heves County representative Mrs Istvan Zsdei who brought the Recsk dilemma before Parliament, pointed out the fact that by deciding to shut down the mine an investment which thus far amounted to 7 billion forints, and an ore resource worth 13 billion dollars, would go under water. The representative expressed regret about the fact that as a result of ideological spasms several years ago the government rejected Western offers to make use of the mine. Without that bad decision we would be richer today as a result of a profitable enterprise! She recommended that beginning on 1 July the Recsk mine become independent, meaning that it should be severed from the entity called National Ore and Mineral Mines, and that the independent firm should not be restricted by conditions established by government concerning its evolution.

Budapest representative Pal Gagyor conveyed the views of the Hungarian Economic Chamber. He called attention to the fact that conditions taken into consideration by the planners of the Soviet-Hungarian venture were too optimistic, and therefore these plans may serve as a

basis for reaching false conclusions. He suggested that already at this point we should let Soviet entrepreneurs compete with Western firms that make offers.

Budapest legislator Geza Szalai pointed out that public opinion has doubts also relative to the utilization of domestic uranium ore. The question is whether it is sufficiently advantageous to the Hungarian party? We must not squander our copper ore resources, and therefore we should carefully watch the negotiation process.

Budapest representative Karoly Kovacs stated that negative tendencies would be strengthened by closing down Recsk. Accordingly, "mine we must," he said, and Budapest representative Kalman Szabo agreed. Representative Szabo, a university professor pointed out the fact that the exploration of Recsk is actively urged also by alternative movements.

It takes at least five years before a young man becomes a foreman, therefore we should not disintegrate our domestic mining culture, according to an emphatic statement by Karoly Nyerges, a representative from Borsod-Abaúj-Zemplén County. Recsk should operate as an independent firm, he told Barna Mezo, president of the National Ore and Mineral Mines, present at the meeting.

During the meeting which lasted until late afternoon it was stated that among other matters, the start of mining production at Recsk would provide jobs for almost 3,000 people. Thus also the miners released from the Nograd Coal Mines could find jobs.

According to calculations the exploration of the Recsk copper resource would provide jobs for residents in the neighborhood for 150-200 years, and would serve well to satisfy the metal requirements of Hungarian industry.

END OF

FICHE

DATE FILMED

11 July 1989